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**PITTSBURG, CALIFORNIA
HOUSING ELEMENT-1990**





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PITTSBURGH, CALIFORNIA
HOUSING ELEMENT-1990



1990
HOUSING ELEMENT
CITY OF PITTSBURG, CALIFORNIA

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PITTSBURG, CALIFORNIA HOUSING ELEMENT-1990



Adopted by
City Council Resolution #94-8027
February 7, 1994

1990
HOUSING ELEMENT
CITY OF PITTSBURG, CALIFORNIA

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INTRODUCTION

The buildings in which people live establishes the tone for their lives--living spaces where people feel they have dignity, where they can express their individuality, where they can be comfortable and healthy. Such spaces set a basis for quality lives. Housing is a basic human necessity and the need for housing is shared by all residents.

Each city in the State of California is required by law to adopt and implement a Housing Element as a guide to decision-making within the local jurisdiction. Pursuant to Government Code Section 65580 et. seq. (AB2835), state housing goals and policies mandate a statutory requirement that each City include, as a mandatory component of its General Plan, a Housing Element which:

- ° 1) Consists of standards and plans for the improvement of housing and for the provision of adequate sites for housing, and
- ° 2) Makes "adequate provision for the housing needs of all segments of the community." (Government Code Section 65302 (C))

State law enacted in 1980 requires the Association of Bay Area Governments (ABAG) to determine the existing and projected housing needs for communities within the nine-county Bay Area for persons at all income levels. ABAG is also required to determine each city's and county's share of the regional need for housing. Needs depend on current residents and projected residents. In planning for housing, other considerations must be taken into account including economic and social conditions and plans in surrounding jurisdictions.

The purpose of this Housing Element is to provide the City of Pittsburg with a comprehensive set of guidelines for decisions affecting the availability of safe, affordable, and habitable housing within the community. Required as part of the General Plan under State Planning Law, the element examines the general areas of inadequate housing, safety, overcrowding, the homeless, overpayment, and discrimination. The document outlines the regional characteristics of the City of Pittsburg and its existing housing stock, resources, constraints, special housing needs, trends, costs, and maintenance of neighborhood quality.

The Housing Element identifies programs which will maintain, improve and develop housing in several ways. Programs address affordability of units, condition of units, quantity of supply and access to housing opportunities. The City intends to continue the use of State and Federal funding in meeting identified housing needs, as well as to use City regulatory powers (such as permit approval) to encourage housing maintenance.

Data used to prepare the Element was obtained from a variety of sources including the 1980 U. S. Census, California Department of Finance, ABAG and others cited in the Element. Where possible more recent data has been used to reflect current conditions and trends.

The Housing Element presents a realistically planned and coordinated set of actions which provide the opportunity for dealing with housing concerns on a long-range basis, and establishes the efficacy of recommended short-run programs in light of the community's specific housing needs. This document, therefore, should be used by local decision-makers, lenders, and developers to:

- 1) Identify the City's existing housing conditions;
- 2) Establish the direction of policies and guidelines to treat the issues of future housing availability and affordability; and
- 3) Provides the basis for housing-related policy decisions.

STATE HOUSING OBJECTIVES

- 1) To provide for decent housing for all persons regardless of age, race, sex, marital status, source of income, or other arbitrary factors.
- 2) To provide adequate housing by location, type, price, and tenure.
- 3) To develop a balanced residential environment including access to jobs, community facilities and services.

GOALS (of this Housing Element)

- 1) To address housing needs through a coordinated regional approach.
- 2) To increase the supply of housing without overcrowding or adversely affecting the prevailing character and quality of existing neighborhoods.
- 3) To foster a renaissance of Pittsburg through revitalization of its housing stock, and to extend an opportunity for a safe and secure life to all present and future residents.
- 4) To provide for a good choice of housing to the consumer through location, prices, and design.
- 5) To maintain and improve the physical condition of existing housing.
- 6) To provide for improved livability in structures that are safe, attractive, and well-maintained.
- 7) To promote the development of market rate housing and housing for upper-income families.

- 8) To ensure that every household has the opportunity to live in a structurally sound unit, large enough to accommodate its members, at a reasonable cost relative to its income, and free from noneconomic constraints on its freedom of selection.
- 9) To provide for the housing needs of all economic segments, all age groups, and all household types.
- 10) To ensure a reasonable balance of housing according to tenure (i.e. conventional ownership, condominium, rental), dwelling type (number of units), price, density, type of amenities, and location.

I. HOUSING NEEDS, RESOURCES, AND CONSTRAINTS

PROJECTIONS ON POPULATION, EMPLOYMENT PATTERNS AND HOUSING NEEDS

A. POPULATION

The number of residents in the City of Pittsburg grew by 38 percent during the last decade reaching 45,663 persons by 1990. Whereas a small portion of this increase was the result of annexations of unincorporated areas bordering the south of the city limits, the growth rate overall reflects high levels of immigration to the region during the eighties. Pittsburg's population growth rate was substantially higher than the 22 percent recorded by Contra Costa County for the decade.

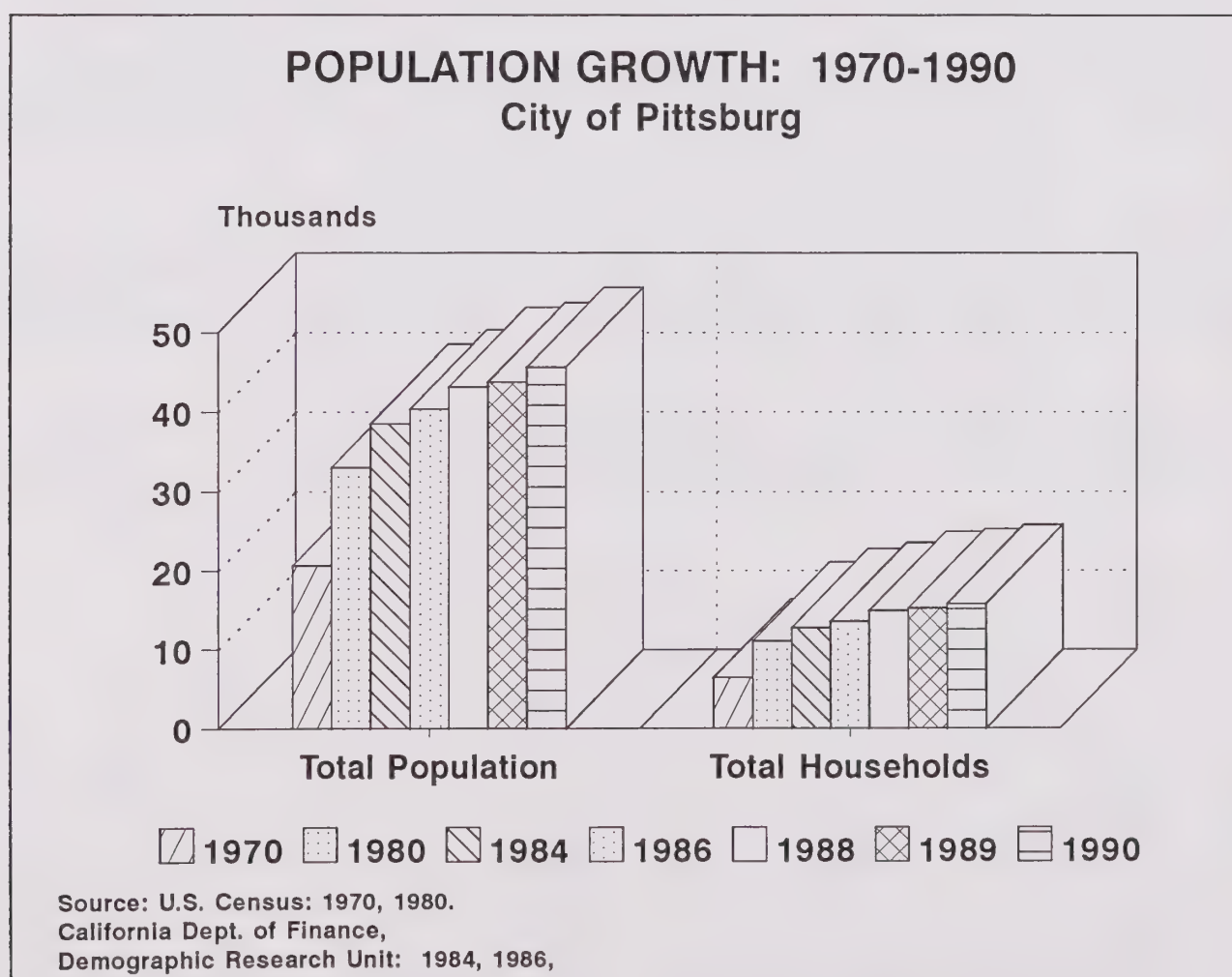


Figure 1: Pattern of Growth Between 1970 and 1989.

Table 1 shows that the City's rate of population growth has slowed in the last ten years, with an average annual increase of 0.7 percent in relation to 6 percent during the seventies.

TABLE 1
POPULATION GROWTH: 1960-1989
City of Pittsburg

	1970	1980	1984	1986	1988	1989	1990
Total Population	20,651	33,034	38,549	40,381	43,175	43,764	45,663
Average Annual % Increase	0.8%	6.0%	4.5%	2.3%	1.4%	0.7%(a)	4.3%
Total Households	6,445	11,089	12,759	13,546	14,929	15,275	15,787
Average Annual % Increase	1.2%	7.2%	4.0%	3.1%	5.1%	3.4%	3.4%
Persons Per Household	3.19	2.98	3.025	2.981	2.892	2.865	2.871

(a) Average annual percent increase based on change from April 1, 1980 to January 1, 1989. Source: Census of Population, U.S. Census: 1960, 1970, 1980. California Department of Finance, Demographic Research Unit: 1984, 1986, 1988, 1989, 1990.

Population projections show a modest but steady rise over the next fifteen years. The Association of Bay Area Governments indicate projections for the population of Pittsburg's subregional area will increase by 17.5 percent between 1990 and 2005, resulting in an annual growth rate of 2.9 percent.

Table 2 shows the projected growth rate for the Planning Area from 1980 to 1995. Table 3 indicates the projected growth rate in Pittsburg and its subregional area is comparable to the population growth rate for Contra Costa County as a whole.

TABLE 2
PROJECTION: 1980 to 1995
Pittsburg Planning Area

	1980	1990	1995
Total Population	43,843	62,700	71,000
Household Population	43,756	62,400	70,600
Percent in Households	99.8%	99.5%	99.4%
Households	15,207	22,690	26,150
Household Size	2.87	2.74	2.70
Employment	9,164	14,610	17,090
Employment Hhld. Ratio	0.610	0.644	0.654
Housing Units Available	16,152	24,059	27,588
Percent Vacant	5.85%	6.08	5.5%

Source: Association of Bay Area Governments, 1990 Projections

TABLE 3
PROJECTED POPULATION: 1980-2005
Pittsburg Subregional Area and Contra Costa County

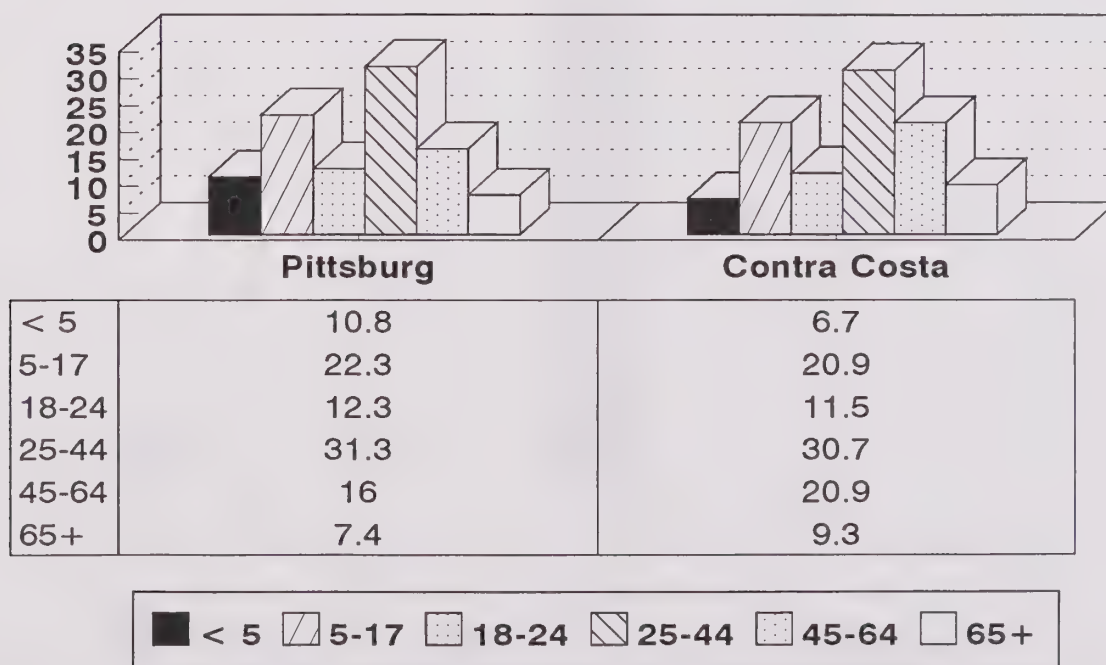
	1980	1990	2000	2005	Percent Change	Percent Change	Percent Change	Average Annual Growth Rate
Pittsburg Subregion	43,843	62,700	73,700	75,600	43.0%	17.5%	2.6%	2.9%
Contra Costa County	656,380	790,000	913,000	946,900	20.4%	15.6%	3.7%	1.8%

Source: ABAG, Projections 1990

Between 1970 and 1980, the median age in Pittsburg increased from 26.2 to 27.1 years with over 45 percent of the population under age 24. Contra Costa County had an older age distribution with only 39 percent for its population under age 24. The 1980 Census indicates the median age for Pittsburg residents was the lowest of all Contra Costa cities (Table 4 and Figure 2 demonstrates the age distribution for the City of Pittsburg and Contra Costa County).

AGE DISTRIBUTION: 1980

City of Pittsburg & Contra Costa County



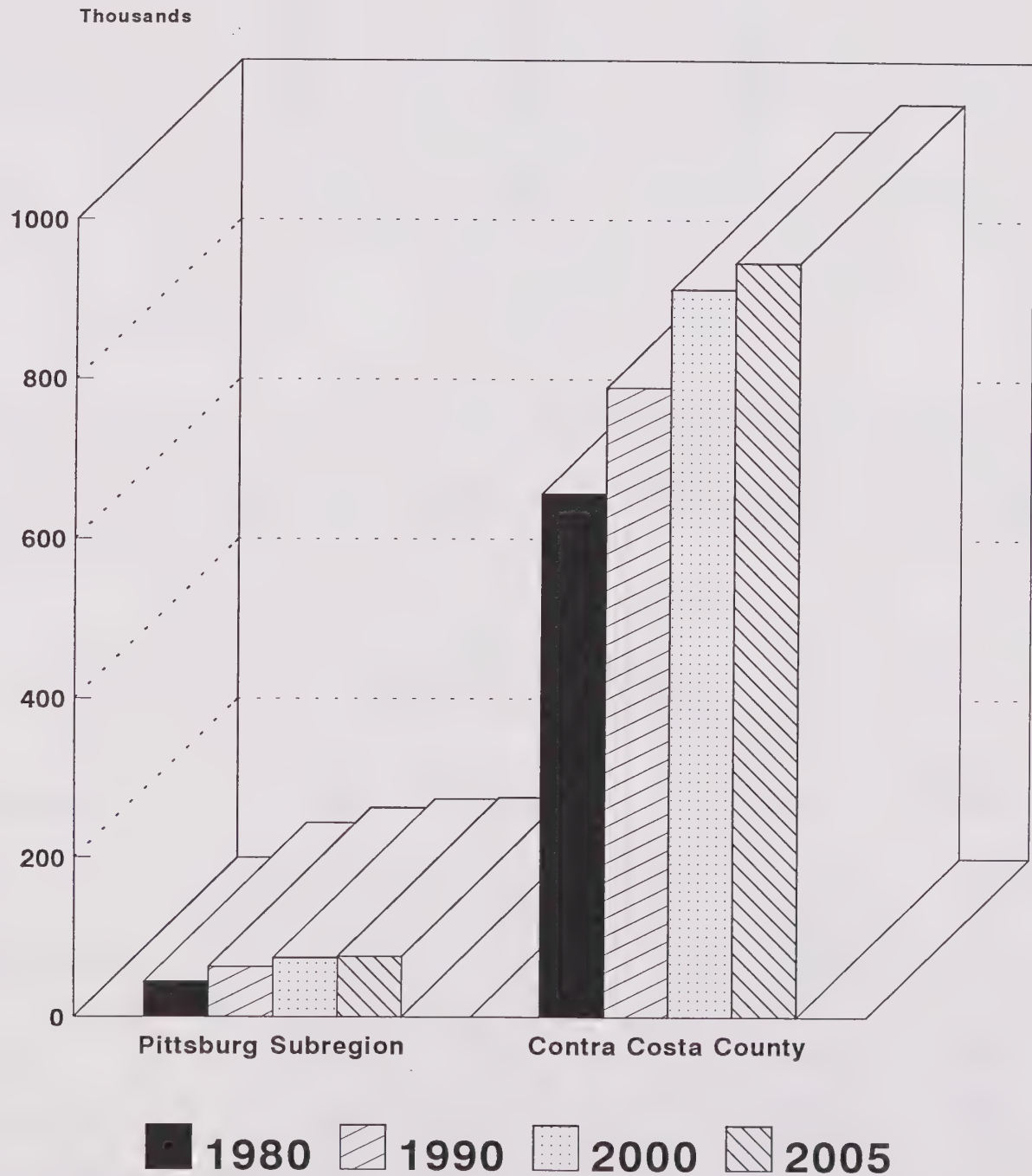
Source: U.S. Census, 1980, STF-1.

Figure 2: Age distribution for the City of Pittsburg and Contra Costa County.

PROJECTED POPULATION

Pittsburg Subregional Area & Contra Costa County

1980-2005



Source: ABAG, Projections 1990

Figure 3

TABLE 4
AGE DISTRIBUTION: 1980
City of Pittsburg and Contra Costa County

Age Group	Pittsburg		Contra Costa	
	Numbers	Percent	Number	Percent
Less Than 5	3,556	10.8%	44,035	6.7%
5-17	7,357	22.3%	136,974	20.9%
18-24	4,047	12.3%	75,631	11.5%
25-44	10,328	31.3%	201,832	30.7%
45-64	5,269	16.0%	137,064	20.9%
65 +	2,454	7.4%	60,844	9.3%
TOTAL	33,011	100.0	612,345	100.0
Median Age	27.1		31.5	

Source: U.S. Census, 1980, STF-1.

Pittsburg as a community is more heterogeneous than Contra Costa County, with over 20 percent of its population Black, 6 percent Asian and 19 percent Hispanic (compared to 9 percent, 4 percent and 8 percent, respectively, at the County level). The racial distribution varies widely within the City. Table 5 shows the Black population proportionately higher than other ethnic groups.

TABLE 5
RACIAL DISTRIBUTION 1980
City of Pittsburg and Contra Costa County

Racial Group	Pittsburg		Contra Costa	
	Number	Percent	Number	Percent
White	20,280	61.4%	534,628	81.5%
Black	6,671	20.2%	60,172	9.2%
Asian	2,120	6.4%	29,534	4.5%
Native American	245	0.7%	3,890	0.6%
Other ¹	3,476	10.5%	28,156	4.3%
TOTAL	33,034	100.0	656,380	100.0
Hispanic ²	6,204	18.8%	55,820	8.5%

¹ Hawaiian, Guamanian, Samoan included in other.

² Hispanics counted as ethnic (of spanish origin) rather than racial group included in total.

TABLE 6
AGE DISTRIBUTION BY SEX AND BY RACE: 1980
City of Pittsburg

Age Group	Total Persons		Female		Male		White		Black		Asian		Native American		Other	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Under 5	3,556	11%	1,782	11%	1,774	11%	2,095	10%	696	10%	219	10%	20	8%	526	15%
5 to 17	7,357	22%	3,611	21%	3,746	23%	3,818	19%	1,899	29%	605	27%	68	28%	967	24%
18 to 64	19,667	60%	10,102	60%	9,565	60%	12,595	62%	3,695	57%	1,274	57%	148	60%	1,955	54%
65 & Over	2,454	7%	1,350	8%	1,104	7%	1,772	9%	381	6%	143	6%	9	4%	149	4%
Total	33,034	100%	16,845	100%	16,189	100%	20,280	100%	6,671	100%	2,241	100%	245	100%	3,597	100%

Source: U.S. Census, 1980, STF-1.

The age distribution of Pittsburg's population varies somewhat by race. As Table 5 indicates, in 1980 the white population is on the average older than non-white with proportionately more children among Black, Asian, and Native American population groups. Pittsburg's elderly population is made up 7 % of the total 1980 population spread fairly evenly among all ethnic groups, with white females being the predominant group.

B. EMPLOYMENT PATTERNS

The vast majority of Pittsburg workers are commuters, with three- quarters of the employed population working outside the city. Yet only 11 percent of workers who responded commute to the cities of the San Francisco - Oakland SMSA. Over two-thirds of employed Pittsburg residents work within Contra Costa County.

The commuting trends of Pittsburg residents support the perception of Pittsburg as a residential community for the bay area. According to the 1980 Census, over one-half of the City's work force spent more than twenty minutes traveling to work, with an average travel time of 26 minutes. Twelve percent of Pittsburg's employed residents spent over an hour on their commute.

An overwhelming majority of workers (91 percent) traveled to work by automobile, with over three-quarters of these driving alone rather than in carpools. Only 3 percent of employed residents of Pittsburg used public transportation.

ABAG predicted 14,610 jobs located in Pittsburg in 1990, the bulk of these in services, retail, and manufacturing. ABAG's figures predict a net addition of almost 6,300 jobs in the Pittsburg subregional area, or a 43 percent increase over the next fifteen years. Pittsburg appears likely to outpace the County, where employment is projected to increase 33 percent by the year 2005. Projected employment gains in the Pittsburg subregion and the County may do well for the large share of the City's residents in manufacturing, retail, and service occupations. Manufacturing employment for the County is projected to grow 47 percent between 1990 and 2005, with retail jobs increasing 59 percent and services 78 percent during the same period (See Table 7).

TABLE 7
PROJECTED EMPLOYMENT: 1980-2005
Pittsburg Subregional Area and Contra Costa County

	1980	1990	2005	Employment	Percent Change 1980-2005
Pittsburg	9,164	14,610	20,880	+ 11,716	128%
Contra Costa	201,237	292,700	389,440	+ 188,203	94%

Source: ABAG Projections, 1990

C. PROJECTED HOUSING NEEDS

ABAG's Projections 90 predicts the Pittsburg planning area will add 6,300 jobs and approximately 6,000 households by 2005. The growth pressure would generate a need for 3,910 housing units to be added by 1995 to the supply indicated as available at the time of the publication. These projections assume continuing declines in household size but an increase in the ratio of jobs to households in the Pittsburg area. The percentage of housing units that are vacant would also decline by 1990, moving this area closer to the regionwide standard of 5.5 percent.

Housing need projections, developed by ABAG to comply with the mandates of State planning law, include both an "existing" need (the net additional housing that should have been available in 1990 to provide an adequate vacancy factor and a better supply/demand balance) and a "projected" need (which may include the former and allow for expected household growth and an adequate vacancy factor).

ABAG's latest estimates indicate that 7,907 dwellings have been added in the City of Pittsburg between the time the 1980 Census was taken and their Projections 90. The Housing Need Projections study by ABAG estimates the projected need between 1988 and 1995 in the City of Pittsburg is 3,910 units. The 5-year projected need figure of 1,931 translates to 382 units per year.

Within the City's planning area, 1999 units were added between January 1988 and April 1990 (See Table 8). The number of very-low and low-income units added during this period was less than the projected number of units needed during the same period. When the housing need projections are adjusted for this shortfall, a total of 1931 new units would be needed during the 1990-1995 planning period (see Table 11).

Table 8
Units Added to the Planning Area 1988-1990

	Number of Units	% of Total
Very Low Income	331	16.5%
Low Income	0	0%
Moderate Income	920	46.1%
Above Moderate Income	748	37.4%
Totals	1999	100%

Source: City of Pittsburg, Building Division (See Table 40, page 71)

TABLE 9
RESIDENTIAL PERMITS ISSUED
City of Pittsburg
From 6-19-1984 to 4-11-1990

HOUSING TYPE	Year										
	Totals	1984	1985	1986	1987	1988	1989	1990	Low	Low/ Mod	Above Low/ Mod
Single Family Detached											
Units Completed	250	0	0	209	76	0	0	0	0	76	209
Under Construction	954	0	0	91	459	0	404	0	0	0	954
Approved	20	0	0	0	0		0	0	0	0	20
Pending	3,589	-	-	-	-	-	-	-	--	-	-
Subtotals	4,813	0	0	300	535	0	404	0	0	76	1183
Townhouses											
Units Completed	128	0	0	0	128		0	0	0	0	128
Under Construction	240	0	0	240	0	0	0	0	0	0	240
Approved	0	0	0	0	0	0	0	0	0	0	0
Pending	1,028	-	-	-	-	-	-	-	-	-	-
Subtotals	1,396	0	0	240	128	0	0	0	0	0	368
Apartments/Condos											
Units Completed	2,105	450	1,057	310	288	108	0	0	108	0	1,775
Under Construction	32	0	0	0	0	32	0	0	0	0	32
Approved	24	0	0	0	24	0	0	0	0	0	24
Pending	1,780	-	-	-	-	-	-	-	-	-	-
Subtotals	3,941	450	1,057	310	312	140	0	0	108	330	1,831
GRAND TOTALS	10,151	450	1,057	850	975	140	404	0	108	330	3,382

Source: Project Listing, Building Division, City of Pittsburg

It should be noted that the City of Pittsburg has little authority over development activity permitted in its sphere of influence outside the City limits. The City assumes responsibility within its jurisdictional boundaries for housing activity to meet projected needs.

TABLE 10
PROJECTED HOUSING NEED BY INCOME GROUP: 1988-95
City of Pittsburg, Selected Cities and Contra Costa County

Jurisdiction	Total Projected Need	Very Low	Low	Moderate	Above Moderate
Antioch	6,343	1,395	951	1,395	2,602
Concord	3,923	785	628	824	1,686
Martinez	1,745	366	244	349	786
Pittsburg	3,910	899	587	860	1,564
Richmond	4,823	53	280	1,553	2,937
San Ramon	7,669	1,227	920	1,457	4,065
Walnut Creek	2,267	453	340	453	1,021
Countywide	48,756	8,670	6,472	10,416	23,198

Source: Association of Bay Area Government, Housing Needs Determinations, 1989.

TABLE 11
PROJECTED HOUSING NEED BY INCOME GROUP: 1990-95
City of Pittsburg

Total Number of Housing Needed

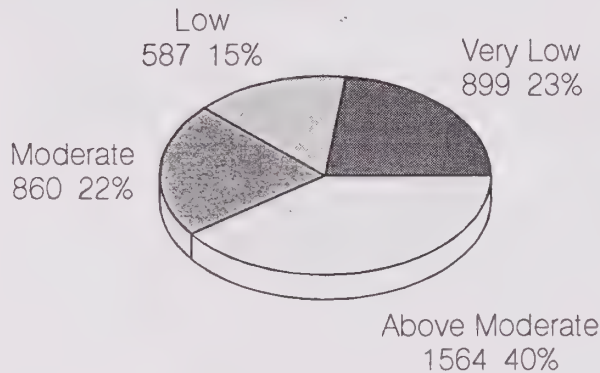
Distribution of Projected Need by Income Group	1988-1995	1990-1995
Very Low (23%)	899	331
Low (15%)	587	286
Moderate (22%)	860	0
Above Moderate (40%)	1,564	409
TOTAL	3,910	1026*

Source: Housing Needs Determinations, San Francisco Bay Area
Association of Bay Area Governments, January 1989, Ward & Associates

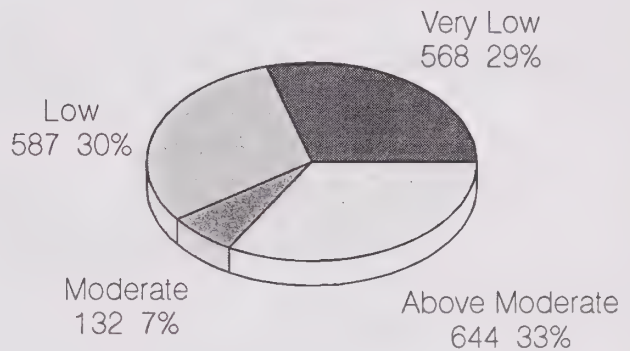
*Totals have been adjusted to account for 1018 units added to the planning area between Jan.1989 and April 1990

PROJECTED HOUSING NEED BY INCOME GROUP 1990-1995 Percentage Distribution

ABAG Projected Need



Actual Need



Total Housing Units 1931

Source: Hsg. Needs Determinations,
S.F. Bay Area, ABAG, January 1989

While the ABAG percentages indicate a slight shift upward in the household income distribution of Pittsburg's housing supply between 1990 and 1995, the City will still have a higher proportion of lower-income households than the regional average. If, prior to 1990, other communities in the County and the region had been making greater provisions for lower priced housing, Pittsburg would not have had as high a proportion in 1990, and thus not have been "assigned" as large a percentage in its projected needs. ABAG failed to address the effects of past impaction, and the City does not concur that the projected needs determinations represent an equitable allocation.

ABAG's 1990 Housing Needs Determination proposed that 40 percent (763 units) of Pittsburg's projected housing need be provided at above-moderate household income levels. The ABAG report also indicated that 23 percent (439 units) of the projected need should be priced to meet the resources of very low-income households.

II. HOUSEHOLD CHARACTERISTICS

A. HOUSEHOLD COMPOSITION

The California Department of Finance in 1990 reported 15,787 households in Pittsburg, with an average household size of 2.87. This represents a slight decrease from the 2.98 mean household size reported in 1986 but a larger average household size reported for the County as a whole at 2.61 persons.

The 1980 Census reports 13 percent of all Pittsburg households were headed by females, compared to 10 percent for Contra Costa County (see Table 12).

TABLE 12
HOUSEHOLD TYPE: 1980
City of Pittsburg and Contra Costa County

	Pittsburg		Contra Costa	
	Number	%	Number	%
1 Person Household				
Male Householder	892	8.0%	21,338	8.8%
Female Householder	958	8.6%	29,788	12.3%
2 or more persons				
Married-Couple Fam.	6,944	62.6%	146,380	60.6%
Other Family				
Male Householder	393	3.5%	6,647	2.8%
no wife				
Female Householder	1,445	13.0%	24,510	10.1%
no husband				
Non Family Household				
Male Householder	334	3.0%	8,382	3.5%
Female Householder	121	1.1%	4,489	1.9%
TOTAL	11,087	100.0%	241,534	100.0%

Sources: U.S. Census: 1980, STF-1

Almost 1,500 female-headed households live in Pittsburg, the majority with children. The 1980 Census indicates that 1,109 single parent families accounted for 21 percent of all Pittsburg families with children. Of 1,686 Pittsburg senior households -- those having one or more persons 65 years and over -- Over 1500 (89 percent) are headed by seniors, the majority classified as "family households".

However, Table 13 shows one-third of senior households are composed of one person living alone. Seniors make up 7 percent of Pittsburg's population yet account for over a third of the total number of single-person households. While there are more women than men over age 65, and a higher proportion of females than males in one-person households, it is reasonable to suggest that the largest share of Pittsburg seniors living alone are women.

TABLE 13
SENIOR HOUSEHOLDS: 1980
City of Pittsburg

Household Types	Number	Percent
Household with One Person	612	33%
Households with Two or more Persons		
Family Households	1,224	66%
Non-Family Households	32	2%
Total Senior Households	1,868	100%

Source: U.S. Census 1980, STF-1

Household type varies widely by racial composition in Pittsburg. Non-white population have a much higher proportion of female-headed households, both with and without children. Fully 25 percent of all Black households are headed by women (three-quarters of these with children), compared to 22 percent Native American, 13 percent Hispanic, 12 percent Asian and 8 percent white.

White and Asian households are more likely to be married couple families than other population groups. Black and Hispanic households have been increasing over the last decade as a proportion of total households.

These variations in racial and family composition are also expressed in terms of differences among subareas of the city. Table 14 displays the distribution of households in Pittsburg according to census tract divisions. Single-parent households-- the majority headed by females--comprise more than 10 percent of all households in six out of ten census tracts. The contrasts are even more striking between neighborhoods in the city; female-headed families account for over a quarter of all families with children in 9 out of 22 neighborhoods; fully half of all families with children in one of fifteen neighborhoods are headed by single women.

TABLE 14
HOUSEHOLD CHARACTERISTICS BY CENSUS TRACTS, 1980
City of Pittsburg

CENSUS TRACTS	3090	3100	3110	3131.01	3131.03	3120*	3141	3132.01	3131.02	3132.02	Total
Total Households	741	1,437	1,004	312	1,628	482	1,132	1,581	1,605	1,189	11,111
White	220	948	604	NA	1,268	416	916	907	1,210	949	7,438
Black	376	262	125	NA	216	34	115	-	441	132	2,146
Asian	29	30	72	NA	71	-	65	104	119	65	579
Native American	18	-	-	NA	-	-	-	33	29	-	92
Hispanic	167	362	312	NA	218	48	87	250	198	92	1,359
Households With Children	233	363	390	69	706	320	672	948	829	644	5,174
Single Parent Households	101	138	107	40	180	34	65	254	93	97	1,109
% Households w/Children	43%	38%	27%	58%	25%	11%	10%	27%	11%	15%	21%
Female-Headed	95	105	82	25	156	22	57	219	74	93	928
Male-Headed	6	33	25	15	24	12	8	35	19	4	181
Income Characteristics											
Median Household Income	\$8,308	\$10,433	\$17,500	\$13,906	\$20,490	\$26,026	\$27,012	\$18,890	\$23,411	\$20,541	\$19,629
Total Families	438	993	766	265	1,338	459	1,065	1,354	1,345	982	8,899
Total Below Poverty	149	157	91	48	111	22	31	216	74	41	940
With Children	128	129	83	28	102	14	31	198	62	41	806
With Female-Headed	85	71	26	20	71	0	23	124	32	25	480
With Children	75	66	26	10	66	0	23	121	25	10	437

*Although data for households in tract 3120 is not available from 1980 STF-3 census tapes, fully 96% of the tract's total population of 972 is black, representing the highest concentration of black households among Pittsburg's census tracts.

Source: U.S. Census: 1980, STF-3.

B. HOUSEHOLD INCOME

The median household income in Pittsburg between 1970 and 1980 was lower than Contra Costa County, although Pittsburg households have generally maintained incomes comparable to the Bay Region as a whole during the seventies.

In 1990, ABAG reported that the mean household income for Pittsburg would be \$35,400 (in constant 1988 dollars), compared with a 1988 estimate of \$47,900 for the County. The Department of Housing and Urban Development's 1990 income limit for Contra Costa County stands at \$35,300 for the lower-income sector with an overall median of \$44,100.

Projections 90 found the mean household income for the City to be \$35,400 in 1990 and steadily increasing to \$40,700 by 2005 while predicting County figures from \$49,600 to \$57,500, respectively, over the same period. Income disparity is evident across racial and ethnic population groups. Table 16 reveals over 30 percent of Black families and 24 percent of Hispanic and Native American families earn below \$10,000 annually, as compared with 13 percent of white families in Pittsburg.

Table 15 shows one-quarter of all Pittsburg households earn less than 50 percent of the regional median income, and a total of 4,593 households are within the "very low" and "low-income" categories based on median income for the County.

TABLE 15
DISTRIBUTION OF HOUSEHOLDS BY INCOME CATEGORY: 1980
City of Pittsburg

Definition of Income Category		Income Category	Number of Households	Percent of Households
Below 50% of RMI*	Less than \$10,304	Very Low Income	2,781	25%
Between 50 and 80% RMI	\$10,305 - \$16,485	Low Income	1,812	16%
Between 80 and 120% RMI	\$16,486 - \$24,728	Moderate Income	2,619	24%
Above 120% RMI	Over \$24,728	Above Mod. Income	3,899	35%
		Total	11,111	100%

Source: U.S. Census: 1980, STF-3.

*RMI: Regional Median Income = \$20,608 per household

C. OVERPAYMENT

The California Department of Housing and Community Development (HCD) has stated that overpayment for housing is the most widespread housing problem in the State. HCD defines overpayment as a family or household paying more than 25 percent of its gross income for housing (including rent or mortgage principal, interest, taxes, insurance, utilities, etc.). However, the 25 percent figure is considered by many experts to be outdated based on fluctuating interest rates, and overall increased utility and housing costs. Studies have shown that 30 percent may be a more reasonable standard for determining housing overpayment.

In 1980, 40 percent of all households in the City were paying more than 25 percent of their income for housing costs. Among both renters and homeowners, those households with lower incomes were more likely to incur disproportionately high housing costs. Three-quarters of all households earning less than \$10,000 a year spent more than 25 percent of their income on housing, with the majority paying greater than 35 percent. In the meantime, 80 percent of households with incomes over \$20,000 spent less than 25 percent of their income on housing payments.

Renter households are more likely to be subject to housing "overpayment" than owner-occupied households. Over half of all renter households paid more than 25 percent of their incomes in rent, compared to one-third of all households in owner-occupied housing. Within this category, most renters paid more than 35 percent of their income on housing, while only 15 percent of all homeowners had such proportionately high housing costs (see Table 20: Housing Overpayments by Tenure of Households: 1980).

Low-income households make up the bulk of those renter households with housing overpayments. A full 85 percent of those renter households earning less than \$10,000 a year paid over one-quarter of their income in rent. Over 1,000 low-income renter households spent more than 35 percent of their income on housing, compared to 17 percent of upper-income households. For the nine Bay Area Counties, an estimated 40,000 households contribute 70 percent or more of their incomes to housing costs.

Low-income homeowners are more likely to bear housing costs that represent a higher proportion of their incomes, although the gap between income classes is not as pronounced as it is among renter households. Given the fact that a substantial number of owner-occupied housing in Pittsburg was built during the high cost decade of the seventies, it appears likely that middle and upper-income households able to purchase these homes may be devoting a significant portion of their household income to meeting their mortgage payments. However, 62 percent of low-income homeowner households paid more than 25 percent of their income for housing costs compared to 22 percent of those homeowners with incomes over \$20,000.

TABLE 17
HOUSING OVERPAYMENTS BY TENURE OF HOUSEHOLDS: 1980
City of Pittsburg

Percent of Income Spent for Housing	Households by Annual Income			Total Households	
	Less than \$10,000	\$10,000 - \$19,999	More than \$20,000	Number	%
Total Renter Households	1,460	919	719	3,098	100%
Under 25 percent	220	548	635	1,403	45
25 - 34 percent	231	244	67	542	17
Over 35 percent	1,009	127	17	1,153	37
Not Computed	122	5	3	130	-
Total Owner Households	900	1,651	4,156	6,707	100%
Under 25 percent	343	848	3,259	4,450	66
25 - 34 percent	157	382	724	1,263	19
Over 35 percent	400	421	173	994	15
Not Computed	46	-	-	46	-
Total Households	2,360	2,570	4,875	9,805	100%
Under 25 percent	563	1,396	3,895	5,853	60
25 - 34 percent	388	626	791	1,805	18
Over 35 percent	563	548	190	2,147	22
Not Computed	168	5	3	176	-

Percent computed for all households reporting housing payments as percentage of income, thereby excluding a total of 176 units not reported in the 1980 census.

Source: U.S. Census; 1980, STF-3

As Table 17 illustrates, housing overpayments are more prevalent in particular census tracts than others, most evident in the northern and western areas of Pittsburg. Over half of all households in census tracts 3090 and 3141 spend more than 25 percent of their income on housing costs. Furthermore, housing overpayments occur in tracts with the highest incidence of deteriorated/dilapidated housing.

D. OVERCROWDING

In 1980, 641 Pittsburg households lived in overcrowded housing, defined by the census as those housing units with more than one person per room. Accordingly, almost 6 percent of the housing stock in Pittsburg is thus classified as "overcrowded", compared with 3 percent for the entire County. Overcrowding is more common among renter households, occurring in 10 percent of all renter-occupied housing. Five percent of all rental units have over 1.5 persons per room, compared to less than one percent of owner-occupied housing.

TABLE 18-A
OVERPAYMENT AND OVERCROWDING BY CENSUS TRACT: 1980
City of Pittsburg

Census Tract Number	3090	3100	3110	3120	3131.01	3131.02	3131.03	3132.01	3132.02	3141	All Tracts
Total Overpaying Households(a)	346	527	280	100	369	202	342	584	724	480	3,954
Percent all households(b)	52%	40%	30%	33%	29%	42%	35%	40%	48%	53%	40%
Renter Households Overpaying(a)	311	353	167	38	134	34	55	246	212	145	1,695
Percent all renter households	63%	57%	52%	40%	36%	41%	48%	58%	61%	62%	55%
° Under \$10,000/yr. income-Number	273	327	105	38	67	14	13	206	153	44	1,240
-Percent(c)	87%	84%	88%	70%	58%	100%	100%	85%	97%	100%	85%
° \$10,000 - \$20,000/yr. -Number	38	19	54	0	60	6	29	40	47	78	341
-Percent(c)	29%	11%	45%	-	45%	100%	100%	40%	42%	86%	40%
° Over \$20,000/yr. -Number	0	7	8	0	7	14	13	0	12	23	84
-Percent(c)	-	11%	10%	-	6%	23%	18%	-	16%	23%	12%
Owner Households Overpaying(a)	35	174	113	62	235	-	-	-	-	-	-
Percent all owner households	19%	25%	18%	30%	26%	43%	33%	33%	44%	50%	34%
° Under \$10,000/yr. income-Number	35	91	62	54	66	22	26	61	96	44	557
-Percent(c)	48%	39%	45%	100%	70%	100%	84%	67%	80%	100%	62%
° \$10,000 - \$20,000/yr. -Number	0	65	44	8	95	56	70	131	153	183	805
-Percent(c)	-	32%	25%	17%	40%	79%	48%	45%	72%	80%	49%
° Over \$20,000/yr. -Number	0	18	7	0	74	90	191	146	263	108	897
-Percent(c)	-	7%	2%	-	13%	30%	28%	22%	32%	27%	22%

(a) Households paying over 25 percent of their income on housing costs.

(b) Percent of all households reporting housing costs related to income.

(c) Percent of households overpaying within each income category.

Source: U.S. Census 1980, STF-3.

TABLE 18-B
OVERPAYMENT AND OVERCROWDING BY CENSUS TRACT: 1980
City of Pittsburg

(Continues from Table 18-A)

Census Tract Number		3090	3100	3110	3120	3131.01	3131.02	3131.03	3132.01	3132.02	3141	All Tracts
Total Overcrowded Households(d)		96	76	95	3(e)	42	14	23	110	61	48	568
Percent all households		12%	5%	10%	1%	3%	3%	2%	7%	4%	4%	5.2%
By Race	◦ White	10	30	44	NA	13	7	7	25	24	33	193
	◦ Black	34	11	0	NA	6	0	0	40	10	15	116
	◦ Asian	6	0	7	NA	12	0		36	0	0	78
	◦ Native American	0	0	0	NA	0	0	0	5	0	0	5
	◦ Hispanic(f)	56	55	58	NA	10	7	0	16	36	7	245

(d) Occupied units with complete plumbing with more than 1.00 persons per room.

(e) No breakdown by racial category available.

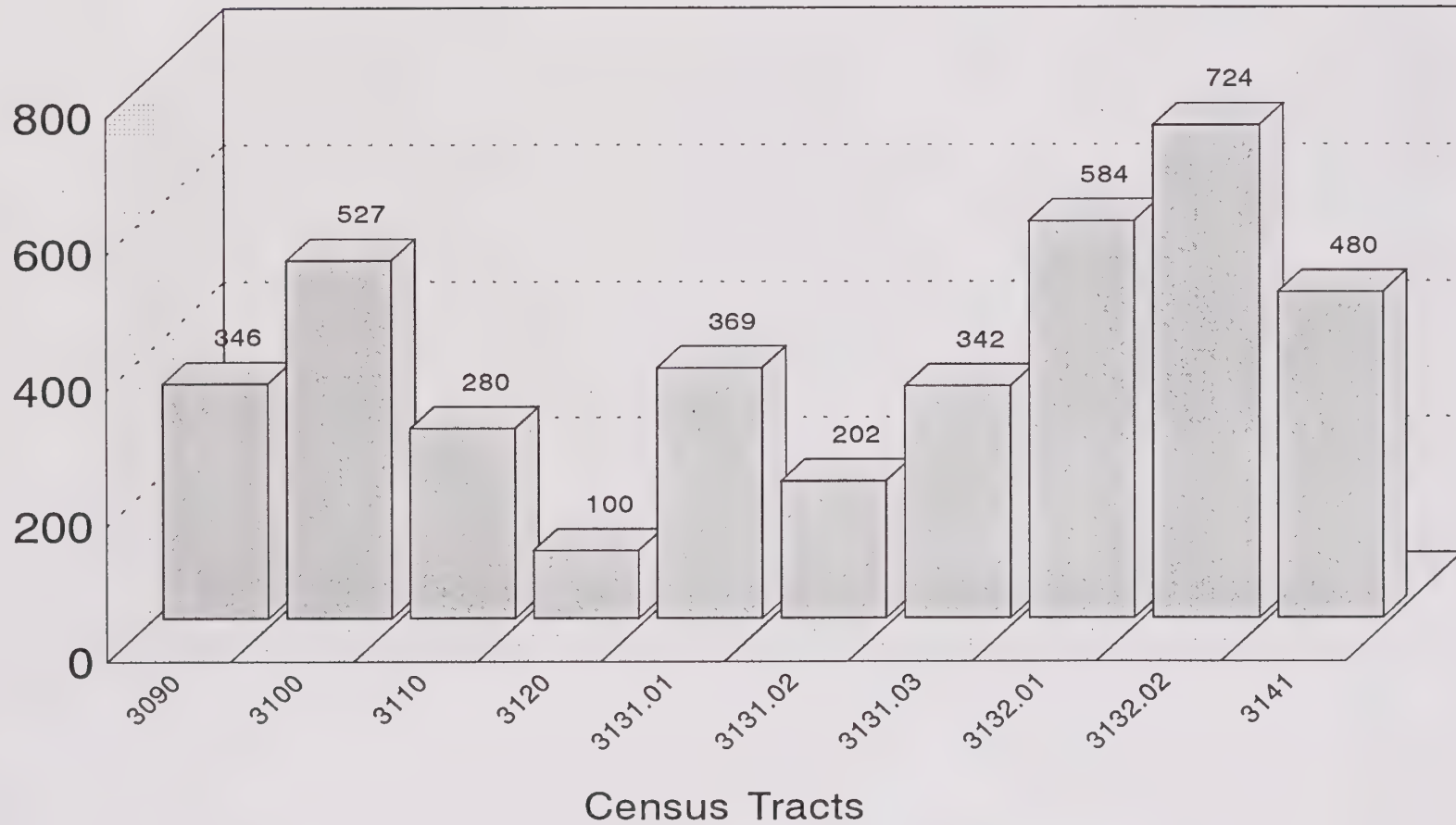
(f) Hispanic is counted as an ethnic, rather than racial group, and may be included within other racial groups to make up total.

Source: U.S. Census 1980, STF-3.

Overpayment By Census Tract: 1980

City of Pittsburgh

Figure 5



Households

Source: 1980 U.S. Census

Overcrowding is related to both household size and the inadequate aspects of the housing stock. Due to the declining share of rental housing in Pittsburg during the seventies, large renter households have more difficulty finding housing units of an adequate size. This lack of supply accounts for part of the incidence of overcrowding among the renter households. Rental units in Pittsburg are also generally smaller than owner-occupied units, both in number of bedrooms and total rooms, a condition which is typical in many Bay Area communities.

III. HOUSING TRENDS

A. OCCUPANCY CHARACTERISTICS

At the beginning of 1990, Pittsburg had a total of 16,807 housing units. Table 19 indicates Pittsburg's housing stock increased by 41 percent during the eighties, representing a net addition of almost 4,900 units. The rate of growth in Pittsburg's housing stock was higher than the growth rate (30 percent) recorded for the County as a whole.

TABLE 19
CHANGE IN NUMBER OF HOUSING UNITS: 1970-1984
City of Pittsburg and Contra Costa County

Period	City of Pittsburg	Contra Costa County
1990(a)	16,807	314,723
1989(a)	16,169	306,458
1988(a)	15,497	297,857
1986(a)	14,182	278,896
1984(a)	13,393	267,142
1980(b)	11,927	241,534
1970	6,720	178,384
Average Annual Percent Change		
1988-89(c)	4.3%	4.3%
1986-88(c)	9.3%	4.6%
1984-86(c)	5.9%	2.9%
1980-84(c)	3.2%	2.8%
1970-80	7.9%	4.1%

(a) California Department of Finance, Population Research Unit, 1984, 1985, 1986, 1988, 1989

(b) U.S. Census: 1970 and 1980

(c) Annual Percent Change between April 1, 1980 and January 1, 1984

Sources: U.S. Census, 1980, California Department of Finance, 1984

Generally a vacancy rate of four to six percent is considered ideal. A lower vacancy rate usually indicates a constrained market in which housing is not being produced in sufficient quantities, and is an indication that adequate housing choice is not available in the community. A vacancy rate in excess of six percent can occur for several reasons. High vacancy rates generally indicate that 1) housing is being overproduced, 2) a significant portion of a community's housing is in seasonal units, or 3) that the community is suffering from economic distress.

Vacancy rates in Pittsburg - especially for rental units - reached their peak in 1989. According to the California Department of Finance, Pittsburg's 6.1 percent vacancy rate was considerably higher than the 3.2 percent recorded for Contra Costa County. Pittsburg's high vacancy rate is indicative of the large number of units which are under construction, have been completed, or have been sold, but which are not yet occupied. This is not unusual for a rapidly growing community like Pittsburg.

The 1980 Census showed half the vacant units located in areas most in need of housing rehabilitation and over half of these were vacant less than two months, exhibiting the relatively high turnover rate in Pittsburg's rental market. In addition to housing conditions, rental vacancy rates may reflect a mismatch between existing housing supply and the need to accommodate large families. The Census also indicated that none of the City's housing units with five or more bedrooms and only 3 percent of four-bedroom units were vacant, compared to 36 percent of studios and 15 percent of all one-bedroom units. (see Tables 22 and 23).

Table 20
HOUSING TRENDS BY TENURE AND OCCUPANCY: 1970-1980

Housing Characteristics	1970		1980		Percent Change 1970-1980
	Number	Percent	Number	Percent	
Total Occupied Units	6,445	100%	11,087	100%	72%
Owner Occupied Units	3,879	69	7,769	70	100
Renter Occupied Units	2,566	40	3,318	30	29
Total vacant Units	275	100%	840	100%	205%
Vacant For Sale	37	13	189	23	
Home Owner Vacancy Rate	0.9%	-	2.4%	-	
Vacant For Rent	164	60	500(a)	60	
Rental Vacancy Rate	6.0%	-	13.1%	-	
Rented or Sold, Awaiting					
Occupancy	12	4	72	9	
Held for Occasional Use	18	7	14	2	
Seasonal/Migratory	0	-	1	-	
Other Vacant	44	16	64(a)	16	

(a) Includes 15 Units reported as "boarded up" in the 1980 census.

Source: U.S. Census, General Housing Characteristics: 1970 and 1980.

TABLE 21
HOUSING VACANCY : SEPT. 1983, SEPT. 1986 AND JUNE 1989
City of Pittsburg and Contra Costa County

Type of Units	1983 Pittsburg(a)		1983 Contra Costa		1986 Pittsburg(a)		1986 Contra Costa		1989* Pittsburg		1989* Contra Costa	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Vacant Units	560	3.3	4,136	1.7	610	3.1	6,227	2.3	1,426	5.5	12,956	3.5
Single-family(b)	406	3.2	2,430	1.4	385	2.7	2,637	1.4	-	-	-	-
Multi-family	118	4.2	1,596	2.4	207	7.6	3,528	8.6	-	-	-	-
Mobile Homes	36	2.5	110	2.1	108	1.2	62	1.2	-	-	-	-

(a) Pittsburg includes all housing units within postal zip code 94565, and thus includes West Pittsburg.

(b) Single-family detached only (single-family attached is in multi-family category).

*Data based on sample not on total number of units. Numbers represent multi-family units only.

Source: Federal Home Loan Bank of San Francisco "Contra Costa County Housing Vacancy Survey," September, 1983, September, 1986.
 Apartment Investment Information Rental Survey, June, 1989. Coldwell Banker Commercial Real Estate Services.

B. PHYSICAL CHARACTERISTICS

Pittsburg's housing stock also differs from the County's in both tenure and types (see Table 22). Although Pittsburg has an equal share of rental housing (32 percent) as Contra Costa County, the City's rental stock had been on the decline during the seventies and its rental vacancy rate of 13.1 percent in 1980 was markedly higher than the County's reported rental vacancy rate of 4.5 percent. According to the 1980 Census, only 227 of the 500 rental units were vacant for two or more months.

TABLE 22
SELECTED HOUSING CHARACTERISTICS: 1980
City of Pittsburg and Contra Costa County

Type of Units	City of Pittsburg		Contra Costa County	
	Number	%	Number	%
Total Housing Units	11,927	100%	251,951	100%
Rental Housing	3,818	32.0%	80,279	31.9%
Occupied	3,318	27.8%	76,674	30.4%
Vacant, for sale	500	4.2%	3,605	1.4%
Owner Housing	7,967	66.8%	168,004	66.7%
Occupied	7,769	65.1%	164,860	65.4%
Vacant, for sale	189	1.6%	3,144	1.2%
Other vacant, Year round	150	1.3%	3,438	1.4%
Seasonal Vacant	1	-	230	0.1%
Total Condominium Units	108	0.9%	17,267	6.9%
Owner-Occupied	38	0.3%	11,092	4.4%
Renter Occupied	70	0.6%	4,800	1.9%
Vacant	0	0.0%	1,375	0.5%
Total Year-Round Units(a)	11,926	100%	251,781	99.9%
Structure Type	9,317	78.1%	184,801	73.3%
'2-4 Units	1,193	10.0%	214,385	85.1%
5 + Units	933	7.8%	39,595	15.7%
Mobile Homes	484	4.1%	5,947	2.4%
Number of Bedrooms				
None	233	2.0%	3,452	1.4%
1-2	4,046	33.9%	101,418	40.3%
3	5,870	49.2%	95,065	37.7%
4	1,719	14.4%	45,342	18.0%
5	59	0.5%	6,504	2.6%

a)"Year-round" housing units exclude seasonal and migratory dwelling. Source is U.S. Census: 1980, STF-3; all data in above table is taken from STF-1 tape.

Of the 71 percent of Pittsburg's single-family dwellings, approximately 66 percent are detached. Table 22 shows that Pittsburg's share of multi-family housing units (as a proportion of all housing) equals that of the County as a whole at 26 percent. A large portion of these multi-family dwellings (over 75 percent) are renter-occupied, and represent the bulk of Pittsburg's subsidized housing stock. Table 22 shows the variation in the distribution of structure types by tenure; single-family detached dwellings make up a full 89 percent of all owner-occupied housing, compared to only 46 percent of renter-occupied housing units.

TABLE 23
HOUSING UNITS BY TENURE AND UNITS IN STRUCTURE: 1980
City of Pittsburg

Units in Structure	Renter-Occupied		Owner-Occupied		Total Occupied	
	Number	%	Number	%	Number	%
1 Detached	1,533	46%	6,901	89%	8,434	76%
1 Attached	257	8%	142	2%	399	4%
2	359	11%	77	1%	436	4%
3 - 4	518	16%	86	1%	604	5%
5 or more	631	19%	135	2%	766	7%
Mobile Home	20	1%	428	6%	448	4%
TOTAL - All Units	3,318	100%	7,769	100%	11,087	100%

Source: U.S. Census: 1980, STF-3

One factor reflecting Pittsburg's small number of multi-family owner-occupied units is the relatively low number of condominiums in the City. According to the 1980 Census, a total of 108 condominium units accounted for less than one percent of Pittsburg's total housing stock. For Contra Costa County at the same time, condominiums comprised almost 7 percent of all housing units, and over 4 percent in the entire Bay Area. Additionally, in contrast to the regional pattern, the majority of Pittsburg's condominiums are renter-occupied.

The Department of Finance in 1990 estimates a total of 507 mobile homes in Pittsburg, located in two mobile home parks, house 1,453 permanent residents. Pittsburg's share of mobile homes - 3.0 percent of year round housing - is greater than Contra Costa County, where mobile homes account for 2.0 percent of all housing.

Pittsburg has a smaller share of both small (0 - 2 bedrooms) and large (4 or more bedrooms) sized units than the County as a whole. Nearly half of Pittsburg's housing stock contains three bedrooms, while 14 percent of dwelling units have four or more bedrooms. However, the size of housing as measured by number of bedrooms differs considerably by tenure. Renter-occupied housing units are smaller on average than owner-occupied dwellings. Table 24 shows that 37 percent of the City's rental units have three or more bedrooms, compared to 78 percent of all owner-occupied units. Furthermore, the City's rental stock includes no housing units with five or more bedrooms, although 496 rental units house families with five or more persons.

Although Pittsburgh's rental stock comprises a smaller share than homeowner units, rental units house a considerable portion of the City's large households. Seven percent of all rental housing is occupied by six or more persons (compared to 6 percent of all owner-occupied housing), and the proportion of each tenure category used by five-person households is essentially the same. As previously noted, the low vacancy rates for four and five- bedroom units and high vacancy rates for studios and one-bedroom units further support the need for housing to accommodate large households in Pittsburgh. The small size of rental units plus high incidence of large households occupying rental housing is closely related to the higher incidence of overcrowding in renter-occupied units as compared with owner-occupied housing (Table 24).

TABLE 24
OCCUPIED HOUSING UNITS BY TENURE, SIZE AND PERSONS IN UNIT: 1980
City of Pittsburgh

Size Characteristics	Total Occupied		Owner Occupied		Renter Occupied	
Bedrooms in Unit	Number	Percent	Number	Percent	Number	Percent
0	150	1%	10	0%	140	4%
1	1,129	10%	178	2%	951	29%
2	2,493	22%	1,495	19%	998	30%
3	5,591	50%	4,530	58%	1,061	32%
4	1,665	15%	1,497	19%	168	5%
5 +	59	1%	59	0.8	0	0%
Total Housing Units	11,087	100%	7,769	100%	3,318	100%
Persons in Unit						
1 person	1,850	17%	961	12%	889	27%
2 persons	3,234	29%	2,416	31%	818	25%
3 persons	2,239	20%	1,607	21%	632	19%
4 persons	2,083	19%	1,598	21%	485	15%
5 persons	1,003	9%	25	9%	278	8%
6 + persons	678	6%	462	6%	216	7%
Total Housing Units	11,087	100%	7,769	100%	3,318	100%

Source: U.S. Census: 1980, STF-3.

In addition to overcrowding, renter-occupied housing units are more likely to be older than owner-occupied dwellings. Although almost half of Pittsburg's housing stock was built since 1970, less than a third of all housing occupied by renter households was built between 1970 and 1980 (see Table 25). The bulk of this older, renter-occupied housing is located north of the freeway in census tracts 3090, 3100, 3110 and 3120 - the same tracts which show a concentration of the City's deteriorating housing stock.

Table 25
HOUSING UNITS BY TENURE AND BY AGE: 1980
City of Pittsburg

Year Structure Built	Total Occupied Units		Renter-Occupied Units		Owner Occupied Units	
	Number	Percent	Number	Percent	Number	Percent
1979-March 1980	567	5%	41	1%	535	7%
1975-78	2,395	22%	388	12%	2,007	26%
1970-74	2,083	19%	602	18%	1,481	19%
1960-69	1,397	13%	471	14%	906	12%
1950-59	2,237	20%	648	20%	1,589	20%
1940-49	1,192	11%	563	17%	629	8%
Before 1940	1,227	11%	605	18%	622	8%
Total Housing Units	11,098	100%	3,318	100%	7,769	100%

Source: U.S. Census: 1980, STF-3

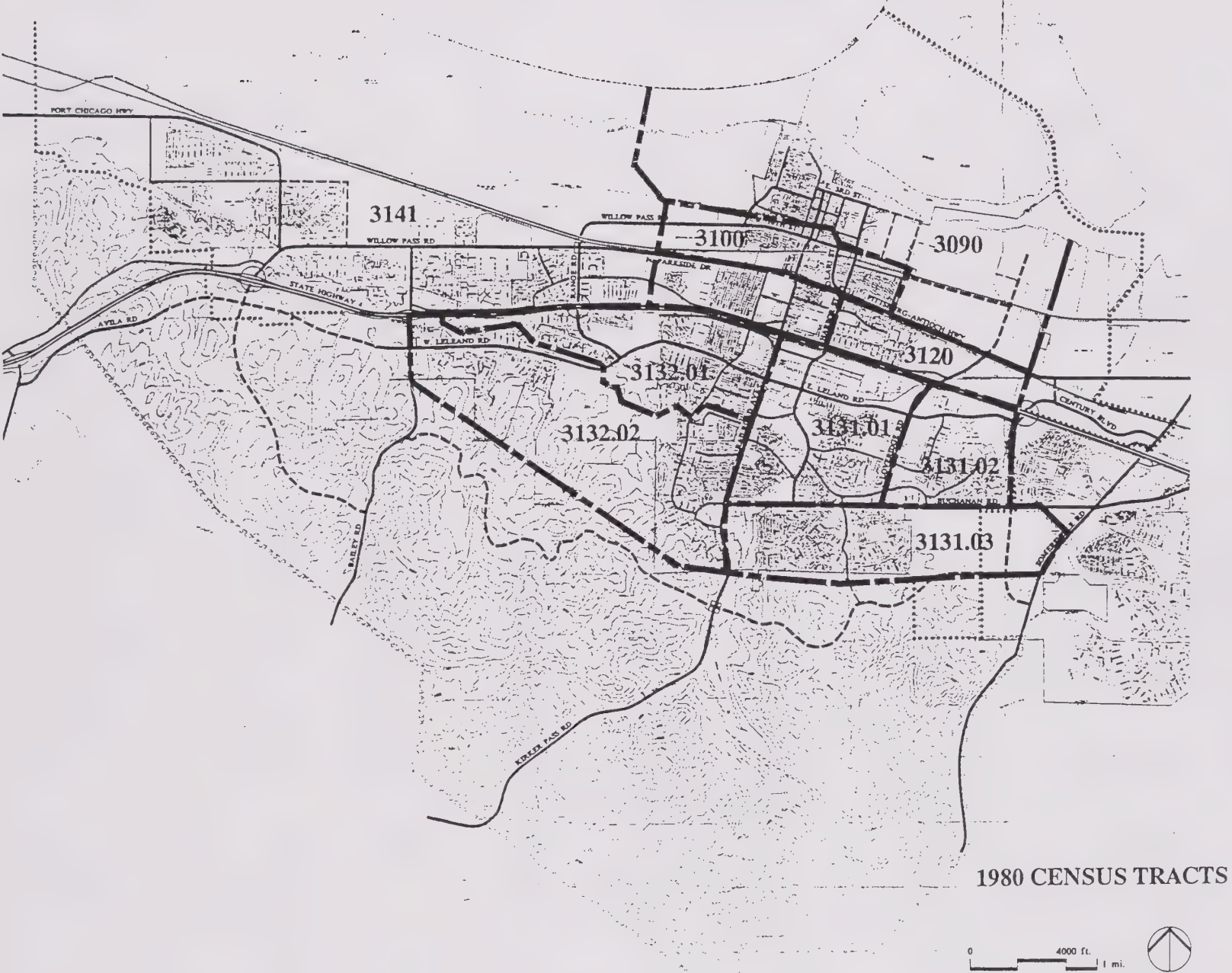
The last year for which census data is available reveals the trend toward owner-occupied housing more sharply. Between 1979 and March of 1980 only 41 rental units were built as compared with 535 owner-occupied units during the same period (see Table 24). Table 26 shows that 61% of all new housing units constructed between 1983 and 1987 were in multi-family structures.

Table 26 indicates the location of new housing construction by census tract. More than 54% of the new units were constructed in census tracts 3131.01 and 3131.02 during the 1980 -1988 time period.

TABLE 26
NEW HOUSING CONSTRUCTION BY CENSUS TRACT
City of Pittsburg

Total New Units	Total	Census Tracts									
		3090	3100	3110	3120	3131.01	3131.02	3131.03	3132.01	3132.02	3141
(4/1/80-12/31/83)	1,488	95	15	3	69	343	66	201	391	301	4
1980 (After 4/1)	362	0	4	2	0	121	0	68	0	163	4
1981	536	5	4	0	18	214	35	81	175	4	0
1982	255	25	NA	1	32	8	31	52	95	11	0
1983	335	65	7	0	19	0	0	0	121	123	0
1984	208	0	0	0	0	208	0	0	0	0	0
1985	515	0	0	223	0	292	0	0	0	0	0
1986	1,472	0	0	114	0	312	242	0	262	542	0
1988	288	0	0	0	0	156	132	0	0	0	0

Source: City of Pittsburg, Department of Community Development, Housing Units Reports, 1980-1983.
City of Pittsburg, Building Division, Project Listing, April 11, 1990.



1980 CENSUS TRACTS

Figure 6

TABLE 27
NEW HOUSING UNITS BY TYPE: 1980-1987
City of Pittsburg

Type	Total	1980*	1981	1982	1983	1984	1985	1986	1987
Total Units Added	3,965	362	531	254	335	450	1057	688	288
Single family	1,542	354	364	246	328	0	0	250	0
-Multi family	2,423	8	167	8	7	450	1057	438	288

*Since April 1, 1980

Sources: City of Pittsburg, Department of Community Development, Housing Unit Reports: 1980-1983.
City of Pittsburg, Building Division, Project Listing: April 1990.

The physical condition of housing in Pittsburg is difficult to assess without actual inspections, although the age and exterior appearance of units is often an indicator of condition. Although no recent data exists on housing conditions in the census tracts south of the freeway, the large number of new housing units built in this area in recent years suggests that most of these are likely to be in excellent condition with the exception of those older housing units concentrated in older neighborhoods in the area. Pittsburg's 1984 housing survey of all units north of the freeway reported that 1,695 out of 2,353 units, or 72 percent, were in need of some rehabilitation.

Citywide, the 1980 Census indicated that 71 occupied units lacked adequate plumbing. As shown in Table 28, the incidence of housing lacking complete plumbing is slightly higher than that found at the county level.

TABLE 28
HOUSING UNITS LACKING COMPLETE PLUMBING: 1980
City of Pittsburg and Contra Costa County

Characteristics	City of Pittsburg	Contra Costa County
Total Units	11,927	251,951
Units Lacking Complete Plumbing	96	1,472
-Occupied	71	1,224
-Vacant	15	248
Percent of Total Units	0.8%	0.6%

Source: U.S. Census: 1980, SFT-3

IV. HOUSING COSTS

Prices for both new and existing units in Pittsburg fall into a broad range, depending on age, condition, and location. The price and market for housing is generally divided between the northern and southern portions of the city.

Owner-occupied housing costs in Pittsburg correlate with monthly housing costs reported for the Bay Area, with median rents somewhat lower in Pittsburg than the surrounding region. Pittsburg renters on average paid much less for housing than homeowner households. However, renter households on the whole devoted a larger share of their income to housing costs than homeowners. In addition, the existence of mortgage tax deductions greatly decreases the relative cost advantage enjoyed by renter households. According to the 1980 U. S. Census, 80 percent of all Pittsburg homeowners had a mortgage on their home (Table 29).

TABLE 29
MONTHLY HOUSING COSTS: 1980
City of Pittsburg and Bay Area

Monthly Housing Costs*	Pittsburg	Contra Costa	Bay Area
Median Homeowner Costs			
- With Mortgage	\$439	\$468	\$440
- Without Mortgage	105	104	105
Median Gross Rent	233	294	298

* Both median monthly housing and median gross rents include utilities and fuels; monthly other costs include taxes, fuels and mortgage.

Source: U.S. Census: 1980, STF-3.

A. HOUSING VALUES

The median value of new homes in Pittsburg is substantially lower than regionwide housing values, although the dramatic increase between 1980 and 1990 is comparable to the rate of increase in overall Bay Area housing values (see Table 30).

TABLE 30
MEDIAN HOUSING VALUE: 1970-1990
City of Pittsburg and Bay Area

Year	Pittsburg	Bay Area
1970	\$17,300	\$26,197
1980	\$66,300	\$98,100
1990	\$190,000(a)	\$262,451(b)

Source: U.S. Census: 1970 and 1980 STF-1.

(a) Source: Various developers of new residential projects in the Pittsburg Area and local realtors.

(b) California Association of Realtors, 1990.

In 1990, new dwelling units in Pittsburg possess an estimated average value of \$190,000. This is a considerable increase from 1980, where the average cost of a single-family, owner-occupied home was between \$50,000 and \$80,000. The 1990 median housing value estimate for Contra Costa County is substantially higher than that of Pittsburg at \$262,451. With the presence of relatively affordable housing contributing to the City's class and racial heterogeneity, low-income and minority households priced out of the prevailing housing market in neighboring cities opt to stay in and/or move to Pittsburg.

B. RENTS

Although Pittsburg rents are relatively low compared to the county as a whole, median rents in the city more than doubled between 1970 and 1980, increasing from \$75 to \$184 over the decade. In 1980, 75 percent of all renter households paid less than \$300 a month for rent. By contrast, rent in 1989 for a two- bedroom unit averaged \$564, an increase of 206 percent over nine years (see Table 31).

TABLE 31
CONTRACT RENT OF RENTER-OCCUPIED HOUSING: 1980
City of Pittsburg and Contra Costa County

Monthly Rent	City of Pittsburg		Contra Costa County	
	Number	Percent	Number	Percent
Less than \$100	542	16.9%	4,840	6.5%
\$100 - 149	497	15.6	4,893	6.6
\$150 - 199	701	22.0	8,988	12.2
\$200 - 249	331	10.4	12,242	16.6
\$250 - 299	307	9.6	14,982	20.3
\$300 - 399	650	20.4	16,803	22.7
\$400 - 499	96	3.0	6,639	9.0
\$500 or more	11	0.3	3,250	4.4
No Cash Rent	58	1.8	1,307	1.8
Total	3,193	100.0%	73,944	100.0%
Median Contract Rent(a)	\$184		\$268	

(a)Median Contract Rent refers to the median monthly rent contracted for, regardless of utilities, furnishings or services. The comparative figure for the Bay Area was \$274.00.

Median monthly housing costs both for owner-occupied and rental units are substantially lower in census tracts containing housing predominantly built before 1960 - tracts 3090, 3100, 3110 and 3120. A large proportion of Pittsburg's renter households live in the first two census tracts, and rent is correspondingly lower.

C. ENERGY CONSERVATION

With the cost of public utilities continually increasing, residents are finding themselves faced with expensive bills in addition to an already high rent or mortgage. The City needs to address energy waste now and propose plans to make living affordable by bringing costs down. This can be done in two ways: 1) by demonstrating to households the purpose and benefits of long-term energy conservation; 2) offering incentives which in turn would lower gas and electric bills and place affordability within reach. The ideal, of course, is to do both.

The State of California already addresses energy conservation through Title 24 energy standards for residential buildings, passive and natural heating and cooling systems in subdivisions, and solar shade control. Energy policies supporting alternative and efficient transportation systems, reduction of energy consumption in buildings by means of appropriate design and solar orientation, and implementation of other energy conservation techniques are stated in other elements of the City of Pittsburg's General Plan.

By promoting conservation measures and careful land use planning, affordability of both existing and new residential units may be ensured. Pittsburgh has already been active in participating in a number of programs designed to achieve energy conservation in residential and other sectors of the community. Their efforts include:

Energy conservation standards incorporated into rehabilitation programs, with particular emphasis on weather stripping, insulation and caulking.

Several community organizations provide energy assistance to low-income homeowners and encourage participation in Contra Costa's Energy Conservation Program, operated by the Community Services Department (CSD). The CSD provides financial assistance in paying utility bills and in installing weatherization.

PG&E's Peak Hour Reduction Program where, with the homeowner's permission, a special attachment to the meter is installed providing lower rates if usage is reduced in the afternoon peak period.

D. DEVELOPMENT POTENTIAL

Table 32 indicates the amount of available land for development in each of the City's General Plan residential land use designations, as well as the potential residential density for each site.

TABLE 32
LAND AVAILABLE FOR DEVELOPMENT AND ITS BUILDOUT POTENTIAL: 1990
Pittsburg Planning Area

GP Designation on Vacant Sites	Density Range (in units/gross acre)	Acres Total	Developed	Vacant	Potential Units
Rural	.05 - .2	260	0	260	52
Estate	0.2 - 3	600	192	408	1,224
Low Density	3.1-5	4,200	3,007	1,193	5,965
Medium Density	5.1-14	950	512	407	5,698
High Density	14.1-21	350	252	62	1,302
Total - All Residential Designations		6,300	3,963	2,330	14,241
Nonresidential Designations		20,300			
TOTAL-All Designations (Includes 135 acres in mobile home parks.)		26,600			

Source: City of Pittsburgh, Department of Community Development.

The acreage of vacant land in each category was converted to the maximum number of units capable of being built by subtracting between 20 and 24 percent of the total vacant acres available to obtain an estimate of net acreage. (Figures do not reflect additional units which might be yielded by applying density bonuses for elderly or handicapped units, which are defined by policy as not less than 25 percent of the maximum density permitted in the applicable density designation).

With Pittsburg's projected housing need of 1931 units defined for 1990-1995, it is evident from Table 32 that a sufficient amount of land is available to allow the City's needs to be met. Whether or not it will also be possible to meet the need for additional housing opportunities for low- and moderate-income persons will rely more on the availability of additional subsidies than on the availability of appropriately designated land area.

V. CONSTRAINTS TO HOUSING PRODUCTION

Most constraints discussed in the Housing Element are either beyond the City's control or result from standards established to ensure quality development in the City. Policies alleviating constraints to housing production and availability include those relating to density bonuses and designation of sites for residential development.

A. Market Constraints

In recent decades, housing demand in the Bay Area has reached astronomical proportions. An agreeable climate, increasing job opportunities, and the coming of age of the post-war population boom has created a peak in the need for additional units. With smaller families, a greater frequency of divorce, and singles living on their own longer, housing units are needed now and their demand is not expected to decrease in the foreseeable future. High inflation rates make home ownership more attractive and have intensified the desire to buy residential property among consumers.

The price of housing has been rising at a much higher rate than family income, thus reducing the opportunity for homeownership for a growing percentage of the public. Contributing factors are the increasing costs of land, material, labor and fees charged for services by the private sector and public agencies.

Labor costs are a factor affecting the overall costs of new housing. National policies affecting wage and material costs, and the availability of subsidies are also a cost factor which are little influenced by local policy or desires. Pittsburg's housing situation has been impacted heavily as the demand for more units persists. Regional patterns in land costs, labor, materials and financing have resulted in new construction targeted for moderately priced single family units. The City has rapidly developed in this fashion in recent years, and is now playing an integral part in both Contra Costa County and the Bay Area.

Information from Marshall & Swift data sources show construction costs for the "standard quality" single family detached home was just under \$109,900 for the East Bay Area. This was based on an assumed 1,570 square foot home and did not include the cost of land. This figure compares to a U. S. average of \$79,505.

Land costs typically make up approximately one quarter of the total costs of residential development. Yet in the Bay Area, the value of residential land increased from 30% to 37% of average total value of single-family homes. Using the same 37 percent ratio of lot value to total value, the \$109,000 home would actually be priced at about \$179,000 including land. This figure accounts for land value, lot sizes, amenities, etc. In Pittsburg, existing single family homes are currently selling for approximately \$121,000, while new units are priced at an average of \$190,000.

1. Speculation

Contra Costa County has experienced widespread speculation in residential real estate for the past few years. Many single- family dwellings are being used wholly for investment purposes rather than as the primary and long-term residence of the owner and other lenders. It is not

uncommon for financial institutions to charge different interest rates for mortgages, depending on whether or not the unit will be owner-occupied. While speculation can be seen as increasing the supply of rental units in Pittsburg, it is not enough to keep rents from rising faster than sale prices. In contrast to the typical cost of today's mortgage payments, rent levels in the City are more closely related to the needs and limitations of moderate-income households.

Speculation may also be viewed as a constraint on Pittsburg's ability to supply and retain lower cost housing. The price of housing, whether for rent or for sale, rises in the bidding process and becomes less affordable to low-income households as more affluent parties become more involved.

2. Mortgage Revenue Bond Financing

Developers have been greatly assisted in their sales efforts through lower interest bond financing. It is unlikely there would have been as many homes constructed and sold at this fixed- rate, if long-term financing had not been available.

However, resales of units financed this way have proven to be challenging. Different bond issues have their own unique set of requirements for borrower qualifications. While loans are not easily assumed, when they are, many contain heavy prepayment penalties during the first five years. In addition to penalties, some loans can only be assumed by an owner-occupant, and some issues stipulate income limits.

Many people who have taken advantage of this kind of financing find themselves in a bind when a job transfer or other pressure forces them into selling. They find little or no growth in equity, coupled with high selling costs, resulting in net loss of cash. This loss of cash equity forces most owners to insist that a new buyer assume their existing financing, in order to avoid the stiff prepayment penalty. Unfortunately, this requirement often limits the potential market for the property.

B. Government Constraints

The State of California delegates specific responsibilities and a certain degree of discretionary authority over the development and use of land. Cities and counties are able to influence the density, location, quality, appearance, and type of housing developments within their jurisdiction through building codes, development procedures, requirements, and fees. These municipal proceedings affect the availability and cost of housing not only within their boundaries but throughout the region. The City of Pittsburg's General Plan and development process is reviewed in the following subsections to determine its impact on the City's capacity to respond to its housing needs. Actions by other local, state, and federal government agencies concerning the same projects are also noted.

1. General Plan

Pittsburg's General Plan and its Land Use Element establishes the essential framework for development in the City. The issue of housing is only one of many that local governments must address and through the General Plan these jurisdictions attempt to resolve competing priorities and concerns. The Land Use Plan is the result of involvement by Pittsburg residents

and provides the context in which Pittsburg has attempted to address its housing needs. For the 2,330 vacant acres available for residential development in the Pittsburg Planning Area, there is a potential yield of 11,565 housing units. A considerable portion of this potential, 5,155 dwelling units, could feasibly be constructed in residential designations with densities having the capacity to provide lower cost units. Yet higher densities do not necessarily promise lower costs. The City can only provide the opportunity to minimize costs through higher densities. Currently, the General Plan is not seen as a constraint concerning the volume, density and rate of production of housing units.

2. Development Process

Permit processing can be lengthy and delay the development of housing and increase cost. The City's permit procedures include some permits which may unduly increase these costs. As is common in many cities, Pittsburg requires developers to obtain a series of approvals before building any new housing units. The City's potential capacity for housing is stated in the General Plan, where the maximum number of units which can be built in the City is determined. Table 33 summarizes the approval requirements and the approximate processing time for typical development applications.

TABLE 33
REQUIREMENTS FOR APPROVAL OF DEVELOPMENT
City of Pittsburg

Approval	Approx. Processing* Time in Months	Environmental Determination	Required by State Law
General Plan Amendment**	3	Yes***	Yes
Zone Change	4	Yes***	No
Tentative Tract Map	2-3	Yes**	Yes
Design Review	1-2	Yes***	No
Final Tract Map	1-2	No	Yes
Conditional Use Permit	1-2	Yes***	No
Plan Check/Building Permits	1-2	No	Yes

Approximate time is the same for affordable projects, including developments proposed by the PEHDC and other subsidized developments.

*Processing time for each action can be concurrent

**General Plan Amendment only required if land use proposed at subsequent stage is inconsistent with City's land use plan.

*** Up to one year if EIR is required.

Source: Planning Division, City of Pittsburg

An analysis of the development approval process indicates that the City of Pittsburg is not overly restrictive in its requirements for development approval, the processing time required for development, or its fee structure. As indicated on Table 34, page 46, Pittsburg fee structure is significantly lower than fees assessed in surrounding communities. These lower fees help reduce to total costs for new housing in the City as serve as an incentive for the development of affordable housing.

Certain steps in the development process are mandated by state rather than local law, and may result in additional costs to developers. Accordingly, these costs are eventually passed on to the consumer. While builders often complain that local government delays and red tape factor into the high cost of housing, they also are either not aware or do not care that these requirements are outside of local control. Among the requirements are:

- Adoption and enforcement of building codes.
- Amendment of the general plan to assure consistency between permitted land use and the development itself.
- Filing of tentative parcel, tract and final maps (the Subdivision Map Act requires local jurisdictions to process these applications within 50 days).
- Compliance with the California Environmental Quality Act (CEQA) - The City must make a determination as to whether or not an Environmental Impact Report is required at certain steps in the development process. CEQA also sets the amount of time required for public review and posting of environmental documentation.

An obvious way for the City to influence the rate of housing production and its eventual cost is in the number of staff assigned to review and process the proposal. Local governments are required by state law (AB 844) to complete the processing of any discretionary action six months from its submittal date and one year if an EIR is required.

3. Fees

Pittsburg's competitive fee schedule is shown in comparison to other Contra Costa counties in Table 34. The City's relatively modest costs are reflected when compared to the median figures for the County. In nearly every case, the City's fee is considerably lower than the median.

4. Cost of Public Services

It is now almost standard practice for cities to require each new development to pay for its own improvements rather than having residents pay the costs through local taxes. Pittsburg makes extensive use of assessment districts and redevelopment agency funding for major public improvements within the community. In many instances, these methods of finance help developers lower on- and off-site improvement costs.

5. Building Costs and Design Requirements

The Pittsburg Planning Area requires building construction standards to conform with the Uniform Building Code as updated. The City of Pittsburg enforces building codes and regulations through its development review process. The City reviews its ordinances and regulations on an ongoing basis to evaluate whether changes are necessary or desirable. For example, the City recently amended its zoning ordinance, consistent with state law, to allow the location of manufactured housing, including mobile homes, on individual lots in single-family zones. Other changes in the zoning ordinance more clearly define allowable uses in each zoning classification, thus reducing uncertainty by potential developers, and therefore reducing overall development processing time and related costs.

6. Actions of Other Government Agencies

It is possible that decisions by other cities, counties, and state agencies may restrict the amount of vacant land which may be developed. These actions can intensify the pressure for development in Pittsburg as well as affect land prices and eventually sale prices and rents. Limiting growth in some jurisdictions in conjunction with negative attitudes concerning residential subdivisions or development at moderate densities, may contribute to higher land and housing costs and the de facto exclusion of households in all but the highest income groups.

7. Resources Available for Housing Programs

The most significant governmental constraint on Pittsburg's ability to address its housing needs is the amount of funding available for housing activities. While the City has taken advantage of many opportunities including redevelopment projects, CBDG's, rehabilitation and other federal housing programs, the amount of money available still fails to meet the need. A substantial increase in state and federal funding levels is needed before local governments can be expected to make a sizable dent in the demand for lower cost housing.

8. Zoning Regulations

Land development controls include policies and regulations contained in the City's zoning ordinance. Policies and regulations are not overly restrictive. The zoning ordinance is subject to change and modifications in order to remain consistent with the update of the City's General Plan. Information shown in Table 33A outlines the general zoning requirements related to residential uses which are contained in Pittsburg's Zoning Ordinance.

**TABLE 33A
SUMMARY OF ZONING REGULATIONS**

RB, RE, RS, RM and RH Districts: Land Use Regulations	P	- Permitted				
	U	- Use Permit				
	Z	- Zoning Administrator Approval				
	T	- Temporary Activity Permit				
	L	- Limited, (see Additional Use Regulations)				
	-	- Not Permitted				
Development classifications	RR	RE-A	RE-B	RS	RM	RH
Density (lot area per unit-sq. ft.)	5 ac.	1 ac.	10,000	6,000	3,000	2,000
With density bonus for:						
-Lower income housing	-	-	-	4,800	2,400	1,600
-Low or moderate	-	-	-	4,800	2,400	1,600
-Senior housing	-	-	-	4,800	2,000	1,300
-Low income senior housing	-	-	-	4,800	1,700	1,100
Minimum lot area (sq. ft.)	5 ac.	1 ac.	10,000	6,000	6,000	7,500
Minimum lot width (ft.)	200	150	80	60	60	60
Minimum yards (ft.)						
Front:	30	25	20	20	20	15
Side:	15	10	7.5	5	7.5	7.5
Corner side:	25	20	15	10	15	15
Rear:	30	25	15	10	10	10
Maximum height (ft.)	30	30	28	28	35	45
Maximum coverage	-	-	30%	40%	50%	60%
Maximum nonresidential FAR	-	-	-	-	.6	.75
Minimum site landscaping	-	-	-	-	25%	20%

TABLE 33A (cont'd)
SUMMARY OF ZONING REGULATIONS

Development Classification	RR	RE	RS	RM	RH
Residential					
Congregate care residential	-	-	-	U	U
Day care, limited	P	P	P	P	P
Duplex residential	-	-	-	P	P
Group residential	-	-	-	U	U
Lower-income housing	-	-	L1	L1	L1
Low or moderate income housing	-	-	L1	L1	L1
Multifamily residential	-	-	-	P	P
Residential care, limited	P	P	P	P	P
Senior housing	-	-	L1	L1	L1
Senior housing, lower income	-	-	L1	L1	L1
Single-family residential	P	P	P	P	P
Governmental and Quasipublic					
Cemetery	U	-	-	-	-
Club and lodge	-	-	-	U	U
College, public or private	-	-	-	L32	L32
Convalescent facility	-	-	-	U	U
Cultural institution	-	-	-	U	U
Day care, general	-	-	U	U	U
Homeless Shelter	-	-	-	U	U
Hospital	-	-	-	-	U
Park and recreation facility	L2	L2	L2	L2	L2
Public safety facility	U	U	U	U	U
Religious assembly	U	U	U	U	U
Residential care, protective	-	-	U	U	U
School, public or private	L32	L32	L32	L32	L32
Utility, minor	P	P	P	P	P
Commercial					
Horticulture, limited	U	-	-	-	-
Visitor accommodations bed and breakfast inn	U	U	U	U	U
Accessory Uses					
Accessory Uses	L30	L30	L30	L30	L30
Accessory structures					
Nonresidential accessory structures	P	P	P	P	P
Accessory dwelling unit	Z	Z	Z	Z	Z
Accessory living quarters	P	P	P	P	P

TABLE 33A (cont'd)
SUMMARY OF ZONING REGULATIONS

Development Classification	RR	RE	RS	RM	RH
Temporary Uses					
Animal show	T	-	-	-	-
Christmas tree sales	T	-	-	-	-
Commercial filming, limited	T	T	T	T	T
Holiday boutique	P	P	P	P	P
Personal property sales	P	P	P	P	P
Real property sales	P	P	P	P	P
Rummage sales	T	T	T	T	T

RR, RE, RS, RM and RH Districts: Additional Use Regulations

- L-1** Permitted, except that a development requesting a density bonus is subject to a use permit and bonus incentive agreement (see Chapter 18.46).
- L-2** Limited to public facilities and private noncommercial facilities including swim clubs or tennis clubs, subject to a use permit.

An analysis of these zoning regulations indicates that the City is not overly restrictive. The density and setback requirements established for the various residential districts are reasonable and should not affect the production of housing for low -and moderate-income households. The minimum lot sizes of 6,000 square feet for RS, 3,000 square feet for RM and 2,000 square feet for RS should easily allow for 7 to 20 units per acre, respectively. When density bonuses are included, minimum lot sizes would range from 4,800 square feet in RS districts to 1,600 square feet in RH Districts, thus allowing for maximum densities ranging from 10 to 25 units per acre. Other regulations related to parking, building height, and accessory uses are not overly restrictive and do not unduly constrain the development of affordable housing in the City of Pittsburg. Front yard setbacks for RM zones could be less stringent by allowing a 15 foot minimum.

TABLE 34
RESIDENTIAL DEVELOPMENT FEES
Pittsburg and Selected Areas

Single Family Residential Fees (1)

Jurisdiction	Total Planning Fees	Total Building Fees	School Impact	Traffic/ Street Impact	Parks Recreation & Open Space	Fire & Police Facilities	Other Misc. Fees	Assessment District Fees	Total Growth Fees	Total Utility Fees	Total Fees 1992
Pittsburg	686.18	1,234.50	2,900.00	470.00	2,000.00	235.00	179.50	0.00	7,705.18	2,532.62	10,237.80
Antioch	1,250.00	1,004.50	3,300.00	630.00	1,050.00	235.00	140.00	12,000.00	19,609.50	7,910.00	27,519.50
Brentwood	619.00	1,024.00	3,160.00	3,160.00	395.00	395.00	365.05	6,271.00	15,389.05	6,759.00	22,148.05
Oakley (unic)	328.00	885.85	2,860.00	7,863.00	1,350.00	500.00	0.00	0.00	13,786.85	7,623.00	21,409.85
Martinez	653.00	838.00	3,000.00	1,780.00	3,090.00	0.00	1,597.00	0.00	10,958.00	4,000.00	14,958.00
Average	\$707.24	\$997.37	\$3,044.00	\$2,780.60	\$1,577.00	\$273.00	\$456.31	\$3,654.20	\$13,489.72	\$5,764.92	\$19,254.64

1. Based on a typical single family detached house (2,000 square feet)
Source: Contra Costa County Department of Community Development

VI. SPECIAL HOUSING NEEDS

A. Disabled

According to the 1980 Census, 2,241 Pittsburg residents between ages 16 and 64 possessed work disabilities. Of this group, which comprised nearly 11 percent of the population of working age, over half were prevented from working due to their disabilities.

The Census also found that 856 Pittsburg residents have a public transportation disability and almost 400 of these are senior citizens. The City has a slightly higher proportion of disabled residents at 3.9 percent than the Bay Area at 3.2 percent (see Table 35).

TABLE 35
ADULTS WITH A PUBLIC TRANSPORTATION DISABILITY: 1980
City of Pittsburg and Bay Area

Chaaracteristics of Adults	PITTSBURG			BAY AREA		
Age 16 + Not in Institution	16-64	65 +	Total	16-64	65 +	Total
	20,734	2,351	23,085	3,510,566	501,933	4,010,064
Disabled	465	391	856		73,066	127,250
Disabled as Percent of Total	2.2%	16.6%	3.9%		14.6%	3.2%

Source: U. S. Census: 1980, STF-3

Housing needs of households with handicapped populations are generally related to affordability and access. Whether or not a disabled person chooses to live independently, the physical accessibility of the unit is a major consideration. Depending on the type of disability, accessibility may entail access to the unit for people in wheelchairs, or placement of fixtures in locations to make access and use easier.

Access ramps, electronic swing doors, emergency buzzers, and specially designed kitchens and bathrooms are only a few of the special housing needs which need to be addressed to accommodate the City's disabled population.

B. Elderly

In 1980, the Census reported 2,454 persons aged 65 and older living in Pittsburg, accounting for 7.4 percent of the total population (see Table 4). Over 600 of these seniors lived alone (see Table 13), indicating a significant demand for smaller housing units suitable for elderly residents. This population often faces special housing needs due to limited and/or fixed incomes, lack of private transportation, and inadequate facilities. The Census indicated that about 8 percent (approximately 200) of the City's senior citizens have incomes less than the poverty level.

Of the senior citizen population, 17 percent (391 seniors) had a public transportation disability. Furthermore, one quarter of all senior-headed households (390 households) lacked cars, and an additional 38 did not have telephone service.

It is important to understand that housing for senior citizens is not only a process of physically building housing, but is also a social process. Special concerns of senior citizens and factors which affect them need to be considered in project design and review. The most significant factors include:

- Senior citizens are less mobile than younger age groups. More consideration must be given to appropriate amenities even in rental housing since this age group is less transient.
- Senior citizens desire autonomy and an environment which extends and enhances the time span of independent living. In order to achieve this, senior citizens need convenient services, especially full service shopping and health care facilities, social service and activity centers, and public transportation. The design of individual facilities must emphasize the elimination of physical barriers that would otherwise impede access by senior citizens.
- Senior citizens wish to be part of the community. They should not be located on physically or socially isolated parcels.
- Senior citizens are concerned about physical and psychological security to a greater degree than younger people.

Location, access to commercial and public facilities, and design are all primary components of housing need which should be considered for senior citizen households in Pittsburg.

The 1980 Census determined three-quarters of Pittsburg's senior citizen households lived in owner-occupied housing. With 80 percent of Pittsburg's households owner-occupied, households with senior citizens are more likely to live in rental housing than those without. Elderly-headed households are more likely to live in rental housing than those elderly households where the homeowner is under age 65, indicating a need for rental housing to meet the needs for elderly-headed households (see Table 36).

TABLE 36
HOUSING UNITS WITH SENIORS BY TENURE: 1980

Units with at Least One Person 65 Years and Over

Tenure	Householder Under 65 Years		Householder 65 + Years		Total	
	Number	Percent	Number	Percent	Number	Percent
Renter-occupied	48	16%	514	26%	463	25%
Owner-occupied	248	84%	1,157	74%	1,405	75%
Total	296	100%	1,572	100%	1,868	100%

Source: U.S. Census: 1980, STF-1

C. Large Households

The 1980 Census reports 1,681 households with five or more persons represents 15 percent of all households in Pittsburgh. The City, however, does not have the same proportion of large-sized housing units. Pittsburgh has, in fact, a smaller share of housing units with four or more rooms than Contra Costa County as a whole. The shortfall in housing units for large households is more pronounced in the City's rental market - evidenced by higher incidence of overcrowding (due in part to the relatively smaller size of rental units compared to those which are owner-occupied). More than ten percent of all renter households live in housing units with more than one person per room.

TABLE 37
NUMBER OF CHILDREN BY FAMILY TYPE: 1980
City of Pittsburgh

Family Type	No. of Families with Children	Total No. of Children	Average Number Children Per Family
Married Couple	4,065	7992	1.97
Female-Headed, No Husband	928	1843	1.99
Male-Headed No Wife	181	266	1.47

Source: U.S. Census: 1980, STF-3.

Housing needs of large families are generally related to affordability and the ability to find housing of adequate size. Affordability is a major factor because of the higher proportion of income used by larger families for non-housing expenses (food, clothing, etc.) as compared to households of smaller size. Consequently, larger households have a smaller proportion of their income available for housing and thus affordability becomes a more significant factor in housing choice.

D. Single-parent Families

In 1980, of all persons under the age of eighteen, 21 percent (or 2,109) lived with single parents. In Pittsburg, the Census determined a total of 1,109 single-parent families with the overwhelming majority (928) female-headed. These single mothers made up 19 percent of Pittsburg's 5,147 households with children (See Table 37). On the average, single mothers had more children in their care than single fathers, and even slightly more children than married couples. Single mothers are further disadvantaged by lower average incomes, and lower rates of auto and home ownership when compared with their male counterparts. Among the special need of single-parent families - especially female-headed households - are affordable housing, safety, access to public transportation, commercial centers and community facilities.

Due to these housing needs, single-parent families are concentrated in those subareas of the City with the most affordable and accessible housing and consequently are most likely to fall within the core redevelopment area. The 1980 Census also found that single-parent households make up over a quarter of all households with children in census tracts 3090, 3100, 3110, 3120, 3131.01, and 3132.01, where housing is most in need of rehabilitation and repair.

E. The Homeless

California's temperate climate year-round makes the state a natural haven for those who are homeless. Last year, Contra Costa County alone assisted an estimated 9,990 homeless individuals (6,378 being children) by providing some sort of shelter either through motel vouchers or night-by-night housing programs. Emergency services outside Pittsburg often draw individuals out of the community and into areas where more food, health, and transitional housing programs are available. Estimates for the City of Pittsburg range from approximately 150-200 individuals based on the City's percentage of the County's total population and information indicating that the County's highest concentration of homeless individuals are in the western portion of Contra Costa County. The given number of estimated homeless does not include individuals sleeping in parks or doorways or staying with families and friends.

F. Farmworkers

Few migratory farmworkers are housed, even seasonally, within Pittsburg. Pittsburg is too far from significant agricultural areas to serve as a residential base for such workers who, by the nature of their employment, tend to live within close proximity to their jobs.

VII. PLANS AND PROGRAMS

By supporting and committing itself to a comprehensive housing program, Pittsburg offers residents a freedom of choice with respect to location, housing types and housing costs. This understanding of community goals and the belief that it is attainable, will eventually offer a pleasant living environment to its citizens.

Housing needs in the Pittsburg Planning Area focus on the ability of residents to buy or rent based on their income levels; the need to rehabilitate older housing in the community and to maintain the housing stock in a satisfactory condition; the construction of new housing that will be available to a broad range of the community residents; and the development of a balanced residential environment providing convenient access to employment, community facilities, and adequate services.

Within this context, great strides have already been made in terms of the City's commitment to these goals and needs. To date, Pittsburg has availed itself of a number of opportunities to alleviate and improve existing and future conditions. Redevelopment projects, CBDG's, rehabilitation programs, and community redevelopment efforts have been and are continuing to be used effectively used by the City to address housing needs.

The following section will present the amended Policies, Map Provisions, and Implementation Measures related specifically to the Housing Element. This will be followed by a description of the City's accomplishments in meeting housing needs and a final section defining the City's 5-year (1990-95) Housing Action Program.

VIII. GOALS AND POLICIES

A. OBJECTIVE: The provision of decent housing in a satisfying environment for all persons.

B. Goals:

1. The City will regulate new residential development so as to continue to foster a variety of housing types, densities, and costs, including low and moderate income units, while preserving the character of the individual neighborhoods and promoting the dispersal of assisted and low-income housing.
2. The City will recognize that the housing assistance needs of Pittsburg's low and moderate income residents are a public and private responsibility. It will actively assist low income families, senior citizens, and handicapped residents in securing decent housing and a suitable living environment.
3. The conservation and rehabilitation of the older housing stock in the City will be encouraged through a balanced program of code enforcement and complementary programs designed to assist property improvements by neighborhood residents. The City will ensure that any code enforcement programs do not impose disproportionate hardships on the City's low income families, elderly, and handicapped residents.
4. The City will take such actions as are necessary to ensure that in the development of all medium and high density residential uses, possible sound intrusion is adequately mitigated and privacy between dwelling units is achieved.

C. Policies:

1. Affordable and Senior Housing:

Elimination during the 1980s of government subsidies for housing for low- and moderate-income households places greater emphasis on the role of local government in producing affordable housing. However, it is Pittsburg's contention that the failure of surrounding communities to meet low income housing need has resulted in a disproportionately higher concentration of low income residents within the City of Pittsburg. Projecting future low-income housing need at existing levels tends to perpetuate such inequities. High concentrations of residents at the low-income end of the scale place a disproportionate demand upon physical and social services without a corresponding revenue to support such services.

The City intends to dilute this adverse effect of impaction by striving to achieve a more balanced economic distribution of households in all neighborhoods and among residents. Plan policies seek to increase the amount of housing for all income groups by designating more land for higher density and multi-family sites where zero-lot line and townhouse development are permitted, and by participating in programs designed to increase the production of units for low-and moderate-income households.

a. Regulate new residential development so as to continue to foster a variety of housing types, densities and costs, including low-and moderate-income units, while preserving the character of the individual neighborhoods, and discouraging the concentration and encouraging the dispersal of assisted and low-income housing.

New residential development is regulated through policies contained in the 1988 General Plan and revised zoning ordinance. The zoning ordinance establishes maximum densities for residential development throughout the City. These two policy documents encourage the development of a variety of housing types at locations throughout the community. During the past two decades Pittsburg has attracted large numbers of low and moderate households due to its relatively inexpensive housing costs and the availability of ample vacant land. Newly constructed units have generally been single story or multi-family dwellings priced to meet the needs of first-time homebuyers unable to afford the high housing costs in areas closer to employment centers in central Contra Costa County, San Francisco and Oakland.

These trends have resulted in the creation of a land use pattern dominated by residential uses and housing stock which is generally lower in costs than units in surrounding areas and the county as a whole. Regulations contained in the revised General Plan and zoning ordinance encourage a variety of types and a better economic mix for newly constructed units.

Action: The City shall follow guidelines contained in its adopted General Plan.

Responsibility: Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

Resources for Implementation: General Fund

b. Recognize that the housing assistance needs of Pittsburg's low-and moderate-income residents are a public as well as a private responsibility, and actively assist low-income families, senior citizens and handicapped residents in securing decent housing and a suitable living environment.

The City will continue to use resources available through the Community Development Block Grant Program for housing rehabilitation activities.

The City will continue to fund housing counseling programs provided by PEHDC. Incentives for developments which provide affordable units for low and moderate income families are contained in the City's revised zoning ordinance.

The City proposes to use Title 24 of the State Administrative Code as the mechanism for providing these units. During the term of the housing element, all Community Development Block Grant assisted units include accessible or adoptable units. In 1988, state and federal requirements for disabled access were strengthened. The state has imposed minimal standards for apartment developments requiring that all ground floor units have certain accessibility features and 5% of all units be fully adoptable.

1990
HOUSING ELEMENT
CITY OF PITTSBURG, CALIFORNIA

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Incentives which may be granted by the City when developments include units for low-and very low-income households include;

- a reduction in development standards which indirectly increase housing costs;
- approval of mixed use zoning if the commercial or office land uses will reduce the cost of the housing development and are compatible with it;
- a waiver of certain park and recreation dedications under Municipal Code section 17.32.020;
- construction by the City of public improvements such as sewers, water lines, streets or sidewalks;
- utilization of federal state or local funds to reduce property acquisition costs;
- waiver of filing or processing fees on development permits and applications;
- exemption from utility connection charges for sewer and water hook-ups;
- waiver of subdivision fees for drainage facilities, bridges or groundwater recharge;
- expedited processing of development application and appropriate permits;
- other regulatory incentives or concessions which result in identifiable cost reductions.

Action: The City will continue to work actively with the Pittsburg Economic and Housing Development Corporation (PEHDC) to promote the development of housing for low-and moderate-income families.

Responsibility: Community Development Director.

Timeline: Ongoing

Resources: General Fund, Tax Increment, Community Development Block Grant.

c. Encourage and support development of new housing consistent with policies in the General Plan.

Action: Provide assistance to the Pittsburg Economic and Housing Development Corporation (PEHDC).

Action: Maintain a fee structure which is generally lower than fees charged in surrounding communities.

Responsibility: City Council

Timeline: Ongoing

d. Grant density bonuses for provision of affordable units as required by state law. To qualify, projects must include some units affordable to households earning less than 80 percent of median income. Moderate-income units are defined as those affordable to households earning 120 percent or less of regional median income.

Action: Grant bonuses to encourage development of additional housing under the following conditions: 1) density bonuses are to be used only for low-and very low -income households; 2) that the bonus must be granted if the developer provides the units; 3) local governments must grant a 25% density bonus if 20% of the units are set aside for lower-income households; and, 4) the density bonus incentive to be combined with at least one other incentive (fee waivers, local subsidies, etc.) in specific cases.

Responsibility: City Council

Timeline: Ongoing

e. Participate in mortgage-revenue-bond programs providing low- cost financing to first-time home buyers and to developers of projects making 20 percent of units affordable to households with income less than 80 percent of median.

The 1985 Contra Costa County Mortgage Revenue Bond Program provided 30-year fixed-rate loans at 10.1 percent interest, with a 5 percent down payment. Maximum household income for buyers of new homes was \$49,073; for buyers of resale homes the maximum income was \$32,000. Maximum purchase price was \$168,410 for new homes, and \$164,120 for resale homes.

Action: Actively pursue participation in any new mortgage revenue bond programs which provide lower than market rate financing for first time homebuyers.

Responsibility: Private Developers, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

f. Require occupancy controls and 15-year affordability for units produced as a result of City programs for affordable housing.

Without occupancy and price restrictions, the City has no assurance that its housing programs are actually serving the needs of low- income households. City policy should require continued affordability, for 15 years for density-bonus units, and for 15 years or longer, as required by law, for bond-financed units. This policy can be implemented in a variety of ways. Owners or managers of rental projects can be responsible for choosing tenants who meet occupancy restrictions each time a unit is rented. For-sale units can include deed restrictions relating to future sale price. Public agencies and nonprofit housing corporations frequently are involved in administering rental or sale of below-market-rate units. This can make continued affordability requirements less onerous for developers and buyers.

Action: Continue to require occupancy controls for all affordable units developed as a result of City sponsored programs.

Responsibility: Community Development Director, City Council

Timeline: 2nd Quarter 1994: Prepare and Adopt Ordinance

g. Grant density bonuses consistent with state law for senior housing projects having desired characteristics.

Action: Continue to grant density bonuses consistent with the requirements of state law.

Responsibility: Community Development Director, City Council

Timeline: 1990-1995 (Ongoing Effort)

2. Housing Selection by Location, Type, Price, and Tenure:

a. Do not allow housing developments on land which is environmentally unsound to support such development. This includes such environmentally hazardous areas as earthquake faults, areas where toxic waste may exist, flood plains, slide areas, or land subject to major liquefaction.

Action: Require an environmental evaluation for all residential projects on land where the potential for environmental hazards or toxics might exist. Do not approve proposed developments in areas where such hazards exist and their potential negative environmental effects cannot be mitigated.

Responsibility: City Council

Timeline: 1990-1995 (Ongoing Effort)

b. Homes located in extreme or high fire hazard areas will be constructed with fire-resistant materials and the surroundings will be irrigated or landscaped with fire resistant plants.

Action: Require that homes located in extreme or high fire-hazard areas be constructed with fire-resistant materials and the surroundings irrigated or landscaped with fire-resistant plants subject to the approval of the Riverview Fire Protection District.

Responsibility: Community Development Director, City Council

Timeline: 1990-1995 (Ongoing Effort)

c. Encourage Planned Unit Developments (PUD's) within Pittsburg as a means of achieving a more innovative and varied approach to solving housing problems. Planned Unit Developments (PUD'S) offer developers more flexibility with regard to setbacks, street widths, density and other minimum site requirements. This flexibility and the lower fee structure in the City serve as an inducement to submit applications for PUD's.

Action: Encourage Planned Unit Developments by expediting the application review process for PUD's, investigating the possibility of fee waiver, and approving Planned Unit Developments in the City of Pittsburg.

Responsibility: Community Development Director, City Council

Timeline: 1990-1995 (Ongoing Effort)

d. Maintain an adequate stock of rental as well as owner-occupied units within the community.

Action: Continue to approve housing units in a manner consistent with the adopted General Plan.

Responsibility: Community Development Director, City Council

Timeline: 1990-1995 (Ongoing Effort)

e. Encourage and support quasi-public and public agencies in efforts to sponsor and develop new housing consistent with the policies in the General Plan. Density levels designated in the General Plan may be exceeded when the City Council finds such projects provide housing for senior citizens and handicapped persons of low and moderate income, and are funded by federal sources to ensure continued availability of this housing.

Action: Continue to provide funding for PEHDC and other local non-profits which sponsor and develop new housing for handicapped persons and person of low and moderate income.

Responsibility: Private Non-profits, Community Development Department, City Council.

Timeline: 1990-1995 (Ongoing Effort)

3. Access to Employment Opportunities, Community Facilities, and Adequate Services

a. Ensure that housing will have ready access to neighborhood commercial facilities and to the community circulation system.

Action: Maximize use of vacant land, in-fill sites and other land contiguous to current development for housing in order to reduce the cost of facilities and create a compact city form.

Responsibility: Community Development Department

Timeline: 1990-1995 (Ongoing Effort)

b. Encourage mixed use development and higher density housing near major activity centers (transit stations, major shopping centers) to achieve optimal use of land and reduce the dependency on the automobile.

Action: Promote mixed use and residential developments near existing or proposed commercial and mixed use areas and near major traffic circulation areas.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

c. Ensure that housing will exist in a healthy environment free of through traffic and served by adequate public utilities, facilities and services, such as water and sewers, schools, parks, paved streets, lighting, and police and fire protection.

Action: Encourage and support new housing developments in areas where there is existing infrastructure.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

e. Consideration of major new housing developments will include an assessment of the impact upon local public services, utilities, and schools. The City will ensure that such developments will not overburden the capacities of, or the budgets for, public services and utilities.

Action: Promote the development of new housing only when the benefits derived from the development are equal to or exceed the cost of providing city services.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

f. Encourage the preservation and protection of houses or neighborhoods of historical significance.

Action: The City will request that City and County historical groups conduct a historical survey of the City to identify neighborhoods and structures of historic interest in Pittsburg. Develop and adopt an ordinance to aid in their protection.

Responsibility: Community Development Director, City Council

Timeline: 1990-1995 (Ongoing Effort)

4. Housing Accessibility

Equal access to housing is protected by state and federal law. Discrimination on the basis of race, ethnic or national origin, physical, emotional or mental illness, religion, or marital status is prohibited by the federal Civil Rights Act of 1968, Civil Rights Restoration Act of 1987, and by Section 53 of the California Unruh Civil Rights Act. The Rumford Fair Housing Law (part of the California Fair Employment and Housing Act of 1980) also protects individual's access to housing.

a. Continue and strengthen the City's commitment to equal housing opportunities by supporting and assisting any quasi-public or public agency in their work to support equal housing and utilize the Citizens Advisory Committee to identify problems and solutions related to fair housing.

Action: Make residents aware of equal housing laws and recourse through educational materials made available at City Hall, through the press, and directly to local realtors.

*Responsibility: City Council, Community Development Director,
Non-profit Agencies.*

Timeline: Ongoing

*Resources: Community Development Block Grant Funds, Tax Increment
Funds.*

b. Advocate and support state legislation designed to prevent discrimination because of household status or source of income.

Action: Adopt resolutions and direct letters to representatives in the state assembly and senate in support of legislation designed to prevent discrimination.

Responsibility: City Council

Timeline: Ongoing

c. Continue the use of available local, state, and federal housing programs to address housing needs. The City will continue to use the following programs:

Federal

- Community Development Block Grant
- National Affordable Housing Act
- HUD Section 202
- Tax Credits
- Section 8

State

- California Housing Finance Agency
- State Deferred Loan Program
- HCD Rental Housing Construction Program
- State Deferred Loan Program
- California Housing Rehabilitation Program (CHRP)

Action: Prepare and submit applications for funding under each of these programs submitted during the 5 year planning period.

Responsibility: Community Development Director- City Council

Timeline: Ongoing

d. Work to ensure that individuals and families seeking housing in the Pittsburg area are not discriminated against on the basis of age, race, sex, family structure, national origin, mental, emotional, or physical handicaps, or other arbitrary factors.

Action: Continue to support anti-discrimination efforts of PEHDC and other organizations.

Responsibility: Community Development Director, City Council

Timeline: Ongoing

e. Prohibit the use of zoning in ways which exclude persons on the basis of economic, ethnic, or age characteristics. Instead, use zoning to encourage variety and mix in housing types and to provide adequate sites for housing persons of different lifestyles and income levels. Manufactured housing, mobile home parks, condominiums, townhouses, stock cooperatives and other mechanisms can be promoted to achieve this variety of housing type.

Action: The City shall approve projects which are consistent with City's zoning ordinance which is designed to prohibit the exclusion of any housing types allowed by state law.

Responsibility: Community Development Director, Planning Commission, City Council

Timeline: 1990-1995 (Ongoing Effort)

f. Support efforts of organizations dedicated to working toward elimination of discrimination in housing.

Action: Continue funding PEHDC and its housing anti-discrimination efforts and policies adopted by the Citizens Advisory Committee.

Responsibility: Community Development Director, City Council

Timeline: Ongoing

Resources: Community Development Block Grant, Tax Increment Funds

g. Ensure that adequate provisions are made in new developments for families with children, including provisions for amenities such as tot lots and play yards; however, housing opportunities for families with children should not be limited because necessary facilities are not provided.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

h. Work with developers regarding Title 24 of the Uniform Building Code to provide housing opportunities for disabled persons.

Action: Require construction and design features that allow access for the disabled.

Responsibility: Community Development Director, City Council

Timeline: 1990-1995 (Ongoing Effort)

5. Development of New Housing

The adopted 1988 General Plan designates 6,169 acres for residential development. This is enough land for potentially 36,100 dwelling units. Sites formerly designated for nonresidential development are designated in the Plan for residential uses, and some open land is also designated for urban uses including residential. There are also a number of areas within the developed portions of the City where new housing could be added through rehabilitation or infill construction. The Housing Element identifies programs for new housing production, while areas where development could occur are designated in the Land Use Element. Policies in the Land Use Element are particularly relevant to provision of sites for residential development.

The areas designated for residential use in the adopted general plan have been divided into five density categories. Maximum net area-wide densities are associated with each of these categories. The land use designations do not require that a specific type of structure be viewed as the only kind which is appropriate or permissible in any category. A variety of development types could occur so long as the permitted maximum density was not exceeded within each subarea.

- ° Rural Residential (maximum 2 units per gross acre) - applied to substantially undeveloped areas in the southern foothills.
- ° Residential Estate (maximum of 3 units per gross acre) - applied to selected areas in hillside areas in the southern foothills. New housing would be subject to the provisions

of the Hillside Planned Development Zoning District and could consist of either large-lot, single-family units or cluster development surrounded by open space.

- ° Residential Low density (3.1 - 5 units per gross acre) - This category would accommodate single family development and planned unit development with an overall density within the indicated range.
- ° Residential Medium density (5.1 - 14.0 units per gross acre) - is designed for multi-family structures such as duplexes and townhouse development.
- ° Residential High density (14.1 - 21 units per gross acre) - is designed to allow higher density apartments and condominiums in selected areas.

a. Maintain the consistency of the City of Pittsburg zoning map and residential zoning district regulations with the General Plan map and residential land use classifications.

Action: The City shall follow the guidelines in the adopted General Plan.

Responsibility: Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

b. Develop a growth management program to monitor the location and phasing of new residential development and coordinate the timely provision of necessary facilities and services.

Contra Costa County has developed an initial draft of its growth management plan which to a degree limits the ability of cities within the county to support development. The plan establishes certain traffic thresholds for new projects. Although the City has not established a timeframe for completing its growth management plan, studies are expected to commence during the five year planning period.

The proposed plan is intended to serve as a tool for managing and directing expected growth in the City within constraints imposed by infrastructure, available public services, and the City's fiscal ability to serve new growth. Severe constraints on new residential growth are not expected to occur as a result of the plan's development.

Action: Adopt a Growth Management Element of the General Plan.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

c. Utilize the adopted Hillside Planned District zoning in appropriate areas to control types and densities of development; to establish grading requirements; and to implement open space easements and other mechanisms for preserving scenic views.

Action: Enforce policies contained in the General Plan and Zoning Ordinance.

Responsibility: Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

d. Utilize the powers of the Subdivision Map Act to guide new subdivision development according to the housing policies of the General Plan. Section 66473.5 of the Act provides that no local agency shall approve a subdivision proposal which is incompatible with the objectives and policies of the General Plan.

Action: Implement policies of the adopted General Plan when reviewing and approving proposed housing developments.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

e. Support new housing development in areas of the City free of through traffic and served by adequate public utilities, facilities and services, such as water and sewers, schools, parks, paved streets, lighting, and police and fire protection.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

f. Encourage regular citizen involvement in the development, implementation and revision of the City's housing program.

Action: Support regular and active citizen participation in the development of housing and related policies and the implementation of programs contained in the Housing Element.

Responsibility: City Council

Timeline: 1990-1995 (Ongoing Effort)

g. Increase availability of sites for residential development in response to demand resulting from employment growth.

Action: Identify sites with the potential for rezoning from other uses to residential and from low density to medium or high density. Prezone specified industrial parcels in areas with the potential for future annexation to residential (mobile home use).

Responsibility: Community Development Director, City Council

Timeline : 1st Quarter 1994: Initiate rezoning in appropriate locations to residential uses or more intensive residential uses as appropriate. Completion 3rd Quarter 1994

Resources: General Fund

Potential Units: 254 mobile homes.

h. Encourage the development of housing on larger size lots which will provide opportunities for accommodating a wider range of housing units and a broader income distribution among residents.

The development of housing at the upper end of the income scale is just as important as the provision of low-and moderate-income housing as it expands the economic base of the community. Development of this type of housing will likely occur in the hillside areas where lower densities, and environmental and service constraints will increase the costs of construction.

Action: The City shall support new housing developments for moderate and upper income households.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

i. Allow for manufactured housing in residential districts provided that it meets the same design standards as conventional housing and is placed on permanent foundations. Manufactured housing shall be subject to design review as allowed by state law.

Units that are partially or fully constructed off-site may be less expensive than units built on-site. State law precludes local governments from prohibiting the installation of modular homes on permanent foundations on single-family lots. Modular homes can be subject to the same development standards (applying to both the structure and lot) as conventional single-family units.

Action: Support manufactured housing units in all residential areas of the City consistent with state law and the City's adopted design standards.

Responsibility: Planning Commission, City Council

Timeline: 1990-1995 (Ongoing Effort)

j. Streamline the permit and environmental review processes to expedite housing construction.

Delay in the project evaluation and approval process can add to housing costs. The City should make every effort to insure that projects are reviewed and evaluated in the shortest possible time, consistent with the City's interests as defined by policies included in the General Plan.

Action: Priority processing shall be given to projects that include housing affordable to low and moderate income households, or housing which is accessible to the disabled.

Responsibility: Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

k. Investigate the feasibility of, and if feasible, adopt an Inclusionary Zoning Ordinance. The Ordinance would require that a minimum of 10 percent of all housing in new residential developments be affordable to low-and moderate-income residents.

The primary benefits of inclusionary zoning are: First, below market unit obligations are known with certainty at the earliest stages of project formulation. Second, the establishment of Inclusionary Zoning does not depend on state or federal subsidies or the direct involvement of outside agencies. It is a local requirement under local control. Finally, it expands the supply of affordable housing for low-and-moderate income households without creating impaction or overconcentration. Inclusion of low-and-moderate income units will not necessarily raise the prices of market rate units as compensation for Below Market Rate Units. Market rate units are sold at the highest price the market will bear.

The inclusionary ordinance might include all or some of the following provisions:

- ° Income eligibility criteria for defining affordability;
 - Criteria needs to be established to screen the applicants for the lower costs units, since the demand for eligible buyers or renters will likely exceed the supply.
- ° Provisions for in-lieu fees;
 - To be available for developments that cannot satisfy the inclusionary zoning requirement due to an unusually high cost of construction for a particular site.
- ° Pricing criteria for affordable units;
- ° Restrictions on resale and re-rental of affordable units; and,
- ° Miscellaneous provisions regarding on-site or off-site construction requirements, transfer of excess affordable credits, etc.

The inclusionary units should not be distinguishable from the market rate units either in design or location within the development. First priority for selection of buyers or renters shall be qualified persons who live or work in Pittsburgh.

Action: By September 1994 Adopt an Inclusionary Zoning Ordinance.

Action By September 1994 , adopt an in-lieu fee program for affordable housing.

Responsibility: Community Development Director, City Council

Timeline: 3rd Quarter 1993: Initiate study.

2nd Quarter 1994: Complete study.

4th Quarter 1994: Adopt ordinance.

Implementation: 1990-1995 (Ongoing Effort)

1. Increase availability of sites for high density residential development, in response to demand adjacent to Bay Point (Bailey Road) BART Station now under construction.

Action: Amend the General Plan and zoning on the vacant 31 acre parcel adjacent to the planned Bay Point BART Station within the City limits from medium density to high density residential. General Plan Policy 2.6.k calls for transit-oriented land uses around a BART station once the station site is designated.

Responsibility: Community Development Director

Timeline: 2nd Quarter 1994; Initiate general plan amendment and rezoning.

Resources: General Fund

Potential Units: 650 high density apartments

Potential units based on land available for development and buildout potential at low, medium and high density zoning designations (rural and estate zoned areas are excluded due to anticipated high development costs).

TABLE 38					
ZONING DESIGNATION	POTENTIAL UNITS*	HUD*	Total	Units Types	Total Affordable
Low Density	5965		5965	100% 3-4 bdrm	596
Medium Density	5698		5698	85% 2-3bdrm, 15% 4bdrm	483
High Density	1302	139	1441	90% 1-2 bdrm, 10% 3 bdrm	1441
Total	12965	139	1304		2607

* HUD Section 202 grants for Chester Drive and Stoneman Village II Elderly Housing.

6. Residential Conservation

Much of Pittsburg's housing stock was built in the 1960s, 1970's, or 1980's and generally is in good condition. However some have deteriorated due to age and lack of adequate maintenance. Housing Element policies are intended to make residential conservation a priority, to encourage the rehabilitation of those that have deteriorated with age, and to encourage the preservation of housing stock in good condition.

a. Encourage actions that will maintain and enhance the quality of Pittsburg's neighborhoods so they will retain their value as they mature.

Action: Vigorously enforce the City's housing and building codes.

Responsibility: City Council, Community Development Director

Timeline: Ongoing

b. Encourage the conservation and rehabilitation of the older housing stock in the City through a balanced program of code enforcement and complementary programs designed to assist property improvements by neighborhood residents. Ensure that any code enforcement programs do not impose disproportionate hardships on the City's low-income families, elderly and handicapped residents.

Responsibility: City Council, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

c. Continue Housing Code enforcement and rehabilitation programs.

Responsibility: Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

d. Develop standards to ensure that the rehabilitation of older houses and buildings, as well as new residential construction in older areas, will be designed to achieve a high degree of aesthetic quality and will be compatible architecturally with surrounding neighborhoods.

Responsible Entity: Planning Department, City Council

Timeline: 2nd Quarter 1992: Develop draft standards

e. Preserve Pittsburg's existing housing stock in sound condition.

Action: Support Preservation by implementing code enforcement and rehabilitation programs.

Responsibility: Private Sector, Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

f. Provide public services and improvements that enhance and create neighborhood stability.

Responsibility: All City Departments, City Council

Timeline: 1990-1995 (Ongoing Effort)

g. Adopt a new ordinance entitled "Residential Certificate of Compliance", which would require inspections on all residential property resold. The new ordinance recognizes that the present code enforcement program is not designed for inspecting single-family and two-family units throughout the community, and acknowledges that without that housing inventory, the City's housing can become deteriorated through lack of maintenance, alterations and by the continuation of unpermitted uses.

Action: Adopt Ordinance

Responsibility: Community Development Director

Timeline: 1st Quarter 1994: Prepare detailed costs estimates and implementation schedule

Responsible Entity: Community Development Director

Timeline: 2nd Quarter 1994: Adopt Ordinance Adoption

Responsible Entity: City Council

Timeline: 2nd Quarter 1994: Hire staff and begin Implementation-Ongoing

Responsible Entity: Community Development Director

Resources for Implementation: Fees to be charged for inspections are expected to cover all costs.

Objective: Inspect 1400 units per year depending on number of unit sales.

h. Adopt a new ordinance requiring inspection on all rental properties within the City limits.

Action: Adopt Ordinance

Responsibility: Community Development Director

Timeline: 1st Quarter 1994: Prepare detailed costs estimates and implementation schedule

Responsible Entity: Community Development Director

2nd Quarter 1994: Adopt Ordinance Adoption

Responsible Entity: City Council

Begin Implementation-Ongoing

Responsible Entity: Community Development Director

Resources for Implementation: Fees to be charged for inspections are expected to cover all costs.

Objective: Inspect 5000 units per year.

i. Continue to participate in programs designed to promote housing rehabilitation and upgrade community facilities in deteriorating neighborhoods. Examples of such programs include the HUD Community Development program, and the Community Redevelopment Program of the State of California.

Responsibility: Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

Resources for Implementation: Fees to be charged for inspections are expected to cover all costs.

j. Maintain a balance of housing type by encouraging the retention and maintenance of the existing rental housing stock within the planning area.

Responsibility: City Council

Timeline: 1990-1995 (Ongoing Effort)

k. Develop programs that the City can take to preserve at-risk units, to essentially plan for preventing or minimizing tenant displacement and to preserve the local affordable housing stock.

Action: Develop programs.

Responsibility: Community Development Director

Timeline: 4th Quarter 1993

l. Inventory multi-family units at risk of losing use restrictions, termination of subsidy contracts., or mortgage prepayment, including units assisted by federal, state and local sources of financing or subsidy.

Responsibility: Community Development Director

Timeline: 3rd Quarter 1994

m. Monitor owners on an annual basis to determine owners interest in selling, prepaying, or terminating participation in a subsidy program.

Responsibility: Community Development Director

Timeline: 3rd Quarter 1994

n. Identify and maintain an updated inventory of at risk projects through the use of existing data bases (e.g., HUD, State of California Department of Housing and Community Development, California Housing Partnership Corporation, and information from other sources which provide information on the use restrictions of projects.

Responsibility: Community Development Director

Timeline: 3rd Quarter 1994

o. Create an early warning tickler file to help track projects, check in with owners to determine intentions, meet with owners if possible to discuss plans) of projects that become eligible for conversions approximately ten years prior to earliest conversion date. Prepare a strategy for preservation of projects affordability controls.

Responsibility: Community Development Director

Timeline: 3rd Quarter 1994

p. Monitor and respond to any Notice of Intent or Plan of Action that may be filed for a project; send copies received to the State of California, Department of Housing and Community Development; notify HUD of probable impact of changes in project affordability controls and recommend possible mitigation; actively participate in the plan of action process to encourage transfer to a non-profit organization that will maintain the affordability restrictions for the life of the project. After reviewing a submitted plan inform tenants affected of any programs that may be available to assist them in preserving their housing units.

Responsibility: Community Development Director

Timeline: 2nd Quarter 1994

q. Monitor projects with approval to convert to ensure that all required assistance to be provided to displaced tenants, pursuant to LIHPRAH, is carried out in a timely manner (e.g. conversion to section 8 vouchers or certificates, minimum payment of 50% of tenants' moving costs, and the right of tenants to remain in their units for three years following prepayment, paying the restricted rents. Projects that may be subject to other state or local requirements regarding the provision of assistance to displaced tenants, will also be monitored.

Responsibility: Community Development Director

Timeline: 4th Quarter 1994

r. Work together with owners, tenants, and non-profit organizations to assist in the nonprofit acquisition of at-risk projects to ensure long-term affordability of the development.

Responsibility: Community Development Director

Timeline: 4th Quarter 1994

s. Combine local preservation efforts with the Mandatory Inspection Program administered by the Building Inspection Department of the City to determine and enforce code compliance and/or needed repairs. Schedule at-risk projects as high priority.

Responsibility: Community Development Director

Timeline: 1990-1995 (Ongoing Effort)

t. Assist owners of existing Mortgage Revenue Bond (MRB) projects to refinance their bonds in exchange for extended affordability controls.

Responsibility: City Council

Timeline: 4th Quarter 1993

u. Establish a community revitalization committee to address the larger issues associated with low maintenance in all residential areas of the City which affect property values and the overall image of the community. Additionally, the adoption of a broader code enforcement ordinances allows the City to continue to improve aesthetics City-wide. Ordinances such as the rental and resale inspections require regular maintenance in addition to that already required for code enforcement. Provisions regulating outdoor storage, exterior maintenance, and yard maintenance will be included in the weed abatement and rubbish ordinance.

Action: Enforce City ordinances that improve the appearance of residential neighborhoods.
Responsibility: City Council, Community Development Director
Timeline: 1990-1995 (Ongoing Effort)

v. Encourage owners and tenants to maintain rental properties.

Action: The participation of neighborhood associations, realtors and lenders should be sought in developing a program to improve rental maintenance.
Responsibility: City Council, Community Development Director
Timeline: 1990-1995 (Ongoing)

7. Special Housing Needs

A survey completed in February 1987 by the Contra Costa County Social Services Department and Human Service agencies in which 1,035 Contra County homeless articulated their shelter needs, 70 percent indicated they were homeless families with children, 18% were single men, 8% were single women, 3% were childless couples, and 1% were unknown family composition. The percentage of the total County population based on the 1980 census is 7% of the total. The number of existing beds in Pittsburg is 48 or approximately 5% of the bedspaces for homeless in the County.

According to the Strategic Plan for the Homeless completed by the County in 1987, an additional 114 beds are proposed during the planning period, including a 100 bed facility for single men and women sponsored by the Salvation Army and 7 apartments for mentally disabled sponsored by Housing for Independent Living.

The City currently has 20 beds for mentally disabled men and women and 8 apartments for families, or approximately 48 beds. These beds along with proposed facilities will bring the total number of beds in Pittsburg to 162 or 17% of the total spaces in the county. The 1980 census indicates that 166 persons were listed as farmworkers. The City of Pittsburg will use services provided by the Contra Costa County Housing Authority and social service agencies to respond to the housing of the migrant farmworker population.

a. Support efforts by Contra Costa County, and the Salvation Army to develop a 100 bed facility for the homeless.

Action: The City will help expedite project approval and consider reduction of permit fees.
Responsibility: City Council, Community Development Director
Timeline: 4th Quarter 1993

b. Support efforts by Housing for Independent Living to develop 7 apartments for the disabled population.

Action: The City will help expedite project approval and consider reduction of permit fees.

Responsibility: City Council, Community Development Director

Timeline: 4th Quarter 1993

c. Maintain the City's zoning ordinance which currently allows homeless shelters in Apartment Zones (RM and RH), Government Zones (GQ), and in Commercial Zones (CO,CC,CS) in buildings designed for residential uses.

Action: The City will continue to support the establishment of homeless shelters in areas consistent with the adopted zoning ordinance.

Responsibility: City Council, Community Development Director

Timeline: 4th Quarter 1993

IX. PROGRAM ACCOMPLISHMENTS

In response to local housing needs, Pittsburg has undertaken and operated a number of housing programs with the goal of providing adequate housing for the City’s residents and meeting goals of the preservation and conservation of existing housing stock.

Until 1980, this effort was primarily directed toward residents at the lower end of the economic scale. Prior to that time, the major programs for providing housing assistance were those operated by the Housing Authority and included the Section 23 Program and its successor, the Section 8 Program. In 1980, in response to an increased demand for affordable housing, especially for moderate-income residents, the City aggressively entered the Mortgage Revenue Bond market and between 1980 and 1983 issued \$175,000,000 in housing mortgage revenue bonds. These programs have provided for the construction of 1543 new housing units in the City. Around the same period, the contraction of the housing market also focused attention on the need to conserve the City’s aging housing stock.

Since 1980, the City has implemented rehabilitation programs totaling \$5,555,000 and resulting in the rehabilitation of 304 units of low-and moderate-income housing. In addition to those programs operated by the City and the Housing Authority, there are five major subsidized housing projects in Pittsburg which total 723 units. These housing projects have been a major resource for meeting very low- and low -income housing needs.

The 1984 Housing Element set forth twenty-three policies to encourage the provision of an adequate housing supply. An adequate supply was defined as a variety of housing types to accommodate diversity without adversely compromising the character or integrity of existing residential areas.

To meet the objective of providing sufficient land to accommodate new housing units anticipated during the planning period (1985-1990), the City proposed to evaluate land availability in relation to projected housing need as part of the comprehensive review of the General Plan. The 1988 general plan stated that the Pittsburg Planning Area had a potential capacity for an additional 11,565 housing units.

TABLE 39
PROJECTED NEED 1984 - 1989

	Very Low	Low	Moderate	Above Moderate
Projected Total Program	350	287	653	500
ABAG Projected Needs	329	215	315	572

Residential developments completed since 1984 have resulted in significant achievements toward in response to goals established in the 1984 Housing Element. Of the 1999 units added between January 1988 and April 1990, 108 were units affordable to very low-income families.

TABLE 40
RESIDENTIAL DEVELOPMENTS/OTHER AFFORDABLE UNITS SINCE 1984

Project Type and Name	Total Units	Low/Mod	% Low/Mod	Very Low	% Very Low	Date Completed
<u>Single Family</u>						
Peppertree	157	41	26%	0	0%	8/87
Top of Woodlands	63	22	35%	0	0	6/86
Stone Harbour No. 3	104	14	13%	0	0	2/86
River Run Unit 1	114	0	0	0	0	4/88
River Run Unit 2	109	0	0	0	0	6/90
Marina Park Unit 2	45	0	0	0	0	9/93
Marina Park Unit 3	46	0	0	0	0	11/90
Oak Hills Unit 1	162	0	0	0	0	4/89
Oak Hills Unit 2	81	0	0	0	0	12/90
Oak Hills Unit 3	200	0	0	0	0	8/91
California Seasons Unit 1	127	0	0	0	0	10/90
California Seasons Unit 2	75	0	0	0	0	2/92
California Seasons Unit 3	74	0	0	0	0	10/93
Fairway Glen	18	0	0	0	0	2/93
Village @ NY Landing 1	38	0	0	0	0	11/93
<u>Townhomes/Multi-Family</u>						
Presidents Park	208	42	20%	0	20%	9/85
Loveridge Terrace	148	0	19%	28	19%	1/87
Peppertree	144	0	21%	31	21%	6-87
Kirker Creek	542	0	20%	108	20%	4-88
Woodland Hills	220	0	20%	45	20%	10-86
Fountain Plaza	223	0	19%	43	19%	various
Stoneman Village	145	0	100%	145	100%	various
Total New Construction	3043	119	50%	400	13%	various
1985-1990 Goals	1890*	1290	68%	350	19%	various
Percent of Goal	163%	10%	--	114%	--	
Section 8 + Vouchers	652	0	0%	652	100%	
Rehabilitated	156	141	90%	15	10	various
TOTALS	3851	471	--	1017	--	--

* Not counted in totals

The City proposed to study the feasibility of permitting second units in single-family residential areas. Consistent with state law, the recently completed zoning ordinance includes provisions for allowing second units. The City also modified its zoning standards to encourage the development of additional multi family housing which could be affordable to low-and moderate-income families. Also, to further this objective, the City proposed to regulate conversion of existing mortgage revenue bond financed units.

During the period from 1985 to 1989 a number of condominium units were constructed in the City. The declining market for condominiums resulted in substantially reduced sales and marketing of these units as rentals. This has increased the number of rental units which adds to the number of units potentially affordable to low-and moderate-income families.

The City proposed to continue to fund a fair housing agency to investigate complaints of illegal housing discrimination, to engage in educational audits of housing practices and to identify problems. This was done under contract with Pittsburg Economic and Housing Development Corporation (PEHDC) throughout the term of the Housing Element. Approximately \$100,000 from the City's general fund was allocated to PEHDC during the five year period for counseling services for low-income residents.

The City proposed to continue to participate in state and federal housing finance and construction programs to generate affordable units. The City continued to use Community Development Block Grant funds to provide low interest loans for housing rehabilitation.

As required by state law, the City continued to provide density bonuses to developers who agreed to reserve units for low-income households. In 1989, state requirements were amended to provide for greater targeting to low-income households and to encourage City incentives to providers of affordable housing.

The City's revised zoning ordinance allows density bonuses and incentives to be granted when certain prerequisites are met. These prerequisites include one or more of the following criteria:

- 20 % or more of the units are reserved for occupancy by lower income households; or
- 10% or more of the units are reserved for occupancy by very low-income households; or
- 50% or more of the units are reserved for occupancy by senior citizens.
- Incentives which may be granted by the City when developments include units for low and very low income households include:
 - a reduction in development standards which indirectly increase housing costs;
 - approval of mixed-use zoning if the commercial or office land uses will reduce the cost of the housing development and are compatible with it;
 - a waiver of certain park and recreation dedications under Municipal Coded Section 17.32.020;
 - construction by the City of public improvements such as sewers, water lines, streets or sidewalks;
 - utilization of federal state or local funds to reduce property acquisition costs;
 - waiver of filing or processing fees on development permits and applications;
 - exemption from utility connection charges for sewer and water hook-ups;
 - waiver of subdivision fees for drainage facilities, bridges or groundwater recharge;

- expedited processing of development application and appropriate permits;
- other regulatory incentives or concessions which result in identifiable cost reductions.

The City proposed to continue to operate a rehabilitation program assisting lower income homeowners and lower income rental housing to upgrade substandard units per year, using a variety of different funding sources. The increasing cost of rehabilitation caused a reduction in the number of units which could be rehabilitated annually without increased funding. During the planning period 156 units were rehabilitated.

As part of its efforts for preserving the affordability of housing, the City proposed to continue direct funding and other assistance to non-profit developers proposing to acquire sites for the development of housing for lower income households. The City provided assistance to Pittsburgh Housing Development Corporation (PEHDC) for site acquisition.

X. FIVE YEAR PROGRAM

The City will continue to utilize all available public and private sector resources to provide adequate housing and meet the housing needs of all economic segments of the population. Traditionally, the primary mechanism for meeting low-income housing needs has been through government subsidy programs. For the very low-income, this has meant the construction of subsidized rental units. In recent years, the availability of resources for subsidized housing construction has markedly decreased as programs have been drastically cut back or eliminated.

In the absence of major new housing program initiatives at the federal or state government levels, the ability of Pittsburg to meet projected low income housing need through new construction is severely constrained. Given this economic reality of the housing market, other alternatives must be pursued to meet low income housing need.

Expansion of the housing stock at the upper income levels allows the natural filtering process to take place where existing units are freed for occupancy by lower income families. Increases in the availability of subsidies for low-income families provide the other key element for making this a viable strategy to ensure the availability of these units for low-income families. The return of vacant housing units to the housing stock provides another mechanism for addressing low-income housing need provided such housing can be economically rehabilitated.

A significant percentage of such vacant units exist which could be restored to the housing market. This strategy would require the availability of housing rehabilitation funds and possibly an increase in housing subsidies. Another mechanism for meeting low-income housing need could involve the transference of Section 8 contract authority from existing projects which no longer require subsidy to new projects within the City or regional area where such projects are located. Long term residents of such projects often no longer require the full subsidy and rather than requiring such residents to find new quarters they could remain in the existing unit. This strategy could also provide a mechanism for deconcentration within existing projects.

The total projected 5 year need of 1931 units can be met based on current land availability and zoning. The housing needs for the respective subgroups may be more difficult to attain given the lack of available financial resources for housing for low-and very-low-income households. However, a combination of programs contained in the draft element including the rezoning of industrial land for mobile homes, developments proposed by PEHDC and the Housing Authority should result in construction of 600 or 83% of the units identified for these subgroups.

A. Summary of Other Identified Programs and Activities:

1. The City will investigate the use of resources available under the recently adopted National Affordable Housing Act for acquisition of existing bond financed units currently occupied by low-and moderate-income families. The Act established the HOME Program which provides funds for local and state governments for residential new construction and property rehabilitation. These funds could be an excellent source of low cost financing to replace previously used mortgage revenue bond financing. To utilize these funds, the City must match a federal contribution with non-federal monies. The required local contribution is 50 percent for new construction, 33 percent for substantial rehabilitation, and 25 percent for moderate rehabilitation.
2. Implement the revised zoning ordinance which allows an accessory dwelling (second unit) in each residential district on a lot with a single-family unit. Second units provide opportunities for the creation of more affordable units within existing developed areas.
3. The City proposes to adopt regulations which will permit the development of mobile home parks in certain areas which are currently zoned for industrial use. This change will allow the development of approximately 350 mobile home units which will be affordable to low-and moderate-income residents.
4. The City will continue and strengthen its commitment to equal housing opportunities by supporting and assisting any quasi-public or public agency in its work as fair Housing Agency and by utilizing the Citizens Advisory Committee (CAC) to identify fair housing problems and solutions. Staffing for the CAC is provided by the City and resources come from the City's general fund.
5. The City will recognize that housing assistance needs of Pittsburg's low-income residents are a public and private responsibility. It will actively assist low-income families, senior citizens, and handicapped residents in securing decent housing and a suitable living environment.
6. To provide subsidies to households in existing housing units, the City proposed to contract with the Contra Costa County Housing Authority for Section 8 certificates, vouchers, and moderate rehabilitation funds. During the term of the plan, the current annual allocation of certificates and vouchers is expected to remain constant.
7. Although no detailed information has been collected which indicates the precise number of units which need replacement estimates are that 20% of the 1695 units or 365 are in need of replacement primarily due to activity in the downtown redevelopment area. The current redevelopment plans allows for the construction of approximately 1745 new units. Ten percent, or 174 of these units will be affordable with implementation of the inclusionary zoning program.

8. Pittsburgh has historically been known as a City with an abundance of affordable housing when compared to neighboring cities. As part of the City effort to maintain existing affordable housing and reduce the potential for deterioration, the City will adopt a comprehensive housing inspection and code enforcement program to identify problems and initiate corrective action before substantial deterioration occurs.
9. Units which are conserved and rehabilitated as result of code enforcement efforts should continue to remain affordable relative to surrounding jurisdictions. Rehabilitation efforts helps to assure the long term affordability of safe housing for Pittsburgh residents.
10. Time requirement's for typical application processing are described on page 44 of the Draft Housing Element. The processing time for both single-and multi-family developments is approximately the same. Additional time is required for complex projects or those requiring substantial environmental analysis. The City does not make special provisions for processing applications for multi-family developments or developments which include affordable units beyond those included in its incentives for density bonuses described previously.
11. Identified constraints are described in detail on pages 41-43 of the Draft Housing Element. Although constraints exist, many are based on requirements which are beyond the City's control. The City's fee structure is still relatively low compared to most surrounding jurisdictions. These lower fees help reduce the cost of housing and serves as an inducement for additional housing construction in the City.



Figure 7

● POTENTIALLY AVAILABLE AFFORDABLE HOUSING SITES

TABLE 41
1990-1995
HOUSING PROGRAM OBJECTIVES
City of Pittsburg

Program/Action	Need Served	Geographic Area	Responsible Agency or Official	Funding	Program	Time Frame
New Construction	Affordable housing	Citywide (246 units)	Private		Inclusionary Zoning	1993
	Affordable housing	Citywide (123 units)	Private		Inclusionary Zoning	1994
	Affordable housing	Citywide (246 units)	Private		Inclusionary Zoning	1995
New Construction	Special Needs Housing (Elderly)	(60 units elderly)	Pittsburg Senior and Handicapped Residential Community Inc.		HUD Section 202	1993
New	Affordable	108 Units Leland Rd.		quantified	PEHDC	
Residential Rehabilitation	Rehabilitation	Citywide (150 Units)	Community Development Department	\$675,110 CDBG	CDBG Entitlement	1990-95
New Construction	Affordable Housing	300	City			1994
Section 8 Certificates	Affordable Housing	Citywide (562 units)	Housing Auth.	not quantified		1990-1995
New Construction	Low-income	100 Units Chester Dr.	Private	not quantified		1994

TABLE 42
PROPOSED SHELTER RESOURCES FOR THE HOMELESS AND OTHER AT-RISK GROUPS

Service Provider	Number of Beds	Length of Stay	Type of Facility	Population Served
Housing for Independent People	7 Apts	Unknown	Long-term	Mentally Disabled
Salvation Army	100	Unknown	Long-term	Families

12. The code enforcement and housing rehabilitation programs will be the primary tools to assure that existing affordable rental and owner-occupied units are maintained.
13. The identified need for large rental units will be met as implementation of the City's inclusionary zoning program occurs. Implementation of the inclusionary zoning ordinance will allow development of approximately 448 affordable units in areas zoned for low and medium density housing during the planning period. These new units are expected to be of sufficient size to accommodate large households.
14. The City stock of existing rental housing, if properly maintained will also serve to fulfill this identified need. This continued availability of existing rental units and the planned development of 150 additional 2 and 3 bedroom units by the PEHDC will add to the existing pool of affordable rental units.
15. While zoning for higher densities may provide opportunities for more affordable housing it may also result in heavy concentrations of affordable units in certain areas of the City and increased service delivery costs. The majority of new affordable units proposed in the element will be scattered among the various zoning categories throughout the City. This approach results in increased economic integration and avoids potential problems related to impaction sometimes associated with high concentrations of affordable units in limited areas of the City.

TABLE 43
QUANTIFIED OBJECTIVES 1990-1995
SPECIFIC DEVELOPMENTS

New Construction	Description	Total Affordable	Low/Mod	Very Low-Income
		Units		
Inclusionary Units	Based on 369 units per year for 1992-94 and 123 in 1995	492	492	0
Affordable Mobile Home Units		254	208	46
Housing Authority		50	0	50
Elderly	Stoneman Village	50	0	50
Elderly	Chester Drive (Shelter Inc.)	79	1	78
Affordable	PEHDC	150	120	30
Totals		1075	821	254
Other				
Rehabilitated Units	Using CDBG Funds	150	135	15
Section 8		562	0	562
Vouchers		60	0	60
Homeless Shelters		114 Beds	0	114 Beds*
Totals		886	135	751
TOTAL AVAILABLE AFFORDABLE UNITS		1961	956	1005

* Not counted in totals

TABLE 44
SUMMARY OF QUANTIFIED OBJECTIVES 1990-1995

Quantified Objective	New Construction	Rehabilitation	Conservation
Very Low-Income	576	15	157
Low-Income	865	135	488
Moderate-Income	492	0	0
Above Moderate-Income	1537	0	0
TOTALS	3470	158	645

B. Other Issues Addressed During the Preparation of the Draft Housing Element

The City's current jobs housing balance is weighted heavily in favor of housing. Pittsburg is still perceived as a residential community where residents commute outside the City to jobs. This has resulted in a jobs/housing imbalance in the City, a pattern which can lead to fiscal problems because housing with its attendant public service costs generally results in a net revenue shortfall for the City. The City's 1988 General Plan and revised zoning ordinance reflects the City's desire to attract more commercial land uses and create a better jobs/housing balance. Zoning changes which add substantial additional housing would simply add to the existing imbalance.

The current maximum densities for each of the residential zones reflects the actual residential build-out potential based on estimates of the City's existing infrastructure to service this development and potential fiscal impacts of new development on the City's service delivery system.

The current exemptions for the use of redevelopment funds is expected to remain in place for the duration of the planning period based on the existing percentage of affordable housing units in the City and the percentages anticipated during the duration of the five year planning period. The City intends to readopt the findings which exempt the use of redevelopment funds for development of low-and moderate-income housing.

Current lending practices are extremely conservative, particularly construction lending. This has severely limited new housing construction throughout the greater San Francisco Bay Area. Based on contacts with area lending institutions, interest rates charged for housing financing in the Pittsburg area are generally comparable with rates charged in surrounding communities. The City will continue to pursue programs which leverage available public sector dollars with private resources.

The goals and policies included in the Housing Element complement those adopted as part of the City's 1988 General Plan. Specifically policies and goals articulated in the Land Use Element, Public Facilities, Institutions, and Utilities Element, and the Traffic and Circulation Element.

Goals contained in the Draft Housing Element includes two major programs which require inspection of existing units on an annual basis. This annual inspection program coupled with the ongoing code enforcement program will help reduce the level of deterioration in existing residential units. It is critical that existing units remain affordable with the reduction in available funds for new construction. Proposed policies in the Draft Housing Element focus on maintaining the affordable housing stock and allocating new affordable units throughout the City. Specific objectives for the planning period are detailed in Tables 42, 43 and 44 on pages 78-80 of the Draft Housing Element.

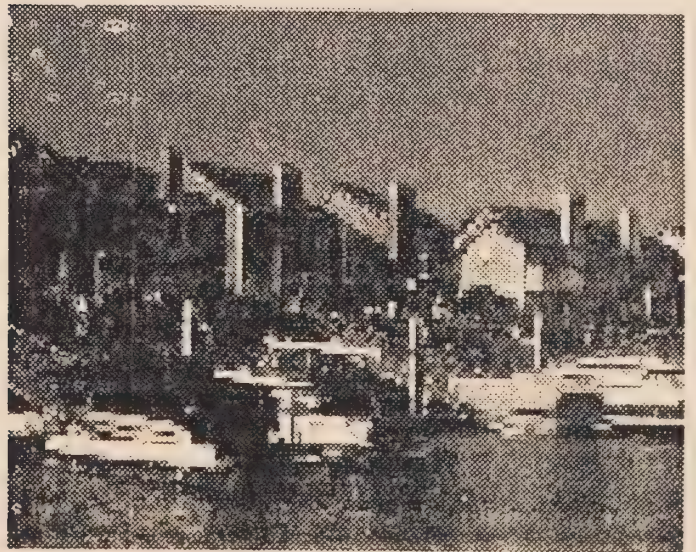
Goals reflect current market conditions and decreased availability of financing for affordable housing developments. The previous element reflected the City's concerns about the effect of substantial additional affordable housing developments and its impact on the City's revenue base and the related ability to provide public services.

These goals incorporate new programs which provide increased homeownership opportunities for Pittsburg's low and moderate income residents. These opportunities for increased homeownership for low and moderate income families is consistent with the new national approach and helps to assure that housing remains affordable to such families.

C. Public Participation

In response to requirements for public participation two workshops and two public hearing on the Draft Housing Element were conducted to elicit comment on the proposed policies and strategies. Notices regarding public meetings on the element were posted in community centers, libraries, City Hall, and throughout the community in public places.

PITTSBURG, CALIFORNIA
HOUSING ELEMENT-1990
Preservation of Assisted Housing



Pittsburg Housing Element

Preservation of Assisted Housing

BACKGROUND

Beginning in the 1960's, the federal government provided various incentives to private developers through low-interest loans and rent subsidies administered by the Department of Housing and Urban Development (HUD) and Farmers Home Administration (FmHA). Owners who secured these subsidies entered into contracts with HUD agreeing to build or operate multi-family rental housing developments that reserved the units for lower income households as long as the projects participated in the federal program.

However, as part of these varied incentives many of the programs gave owners the option of terminating their participation prior to loan maturity or rental contract expirations. When an owner elects to exercise this option, the subsidy being provided to the project and the accompanying use restrictions are terminated. Should this happen, units may be converted to market-rate units and tenants may become displaced without any assurance of securing permanently affordable housing elsewhere. Additionally, the inventory of low-income housing declines as units are taken out of the affordable housing stock and converted to market-rate units.

Nationwide, the potential impact of this loss is astonishing. The U.S. General Accounting Office issued a report on the issue in June 1986, which predicted that 1.8 million or approximately 90% of all federally-subsidized rental housing in the country could be lost by the end of the century. However, with the passage of recent federal legislation designed to mitigate the potential loss of at-risk units, an estimated 365,000 units are protected pursuant to the Emergency Low-Income Housing Preservation Act (ELIHPA) and the Low-Income Housing Preservation and Resident Homeownership Act (LIHPRA).

In 1985, the California Department of Housing and Community Development assembled an inventory of low-income rental housing units that are eligible to convert to non-low income housing uses over the next 20 years. A subsequent report published by the Senate Office of Research in 1987 concluded that as many as 117,000 assisted rental units could convert by the year 2008; over two-thirds of these units (68%) have restrictions that could terminate as early as 1995.

The potential for loss of affordable units is compounded more when considering the low-income units produced by state and local financing and subsidy programs, which are now considered to be at-risk projects. These varied programs include the Community Development Block Grant Program, Low Income Housing Tax Credit Program, State Density Bonus Law, CHFA-issued bonds, multi-family revenue bonds, revenues from redevelopment agencies, and revenues from locally-imposed programs (e.g., inclusionary requirements, linkage fees, etc.). Like their federal counterparts, these programs have regulatory agreements or other use restrictions for terms of limited duration. Yet despite the number of affordable housing developments, only 645 units are considered to be at risk during the ten-year period between July 1990 and June 2000. Furthermore, 225 of the at-risk units are owned by a local

non-profit housing corporation; therefore these units will remain affordable for the full term of the mortgage.

Projects financed with assistance from the Federal Department of Housing and Urban Development.

Project Name & Location	Analysis Period	Type	Total Units	Units-at-Risk	Conversion Date	Operating Agency or Owner
Lido Square 1 2131 Crestview Lane	A	(236) (j) (1)	128	124	May 5, 1991	Private
Lido Square I 2131 Crestview Lane	A	(236) (j) (1)	43	40	October 5, 1992	Private
East Sante Fe Avenue 425 E. Santa Fe Ave.	A	(236) (j) (1)	20	19	March 31, 1993	Private
			191	183		
Source: Inventory of Federally Subsidized Low-Income Rental Units at Risk of Conversion, 1991 Update						

The following projects have a Section 8 rental assistance opt-out risk.

Project	Location	Analysis Period	Total Units	Units at Risk	Date of Opt-out	Operating Agency or Owner
Woods Manor	850 Leland Rd.	A	80	32	July 22, 1993	Non-Profit
Pittsburg Plaza Apts	3225 Harbor St.	B	126	125	June 10, 1997	HUD
			206	157		

Multi-family Housing Bond projects that will be eligible for conversion to non low-income housing use during the 10 year planning period.

Project	Location	Analysis Period	Total Units	Units at Risk	Year of Conversion	Operating Agency or Owner
Loveridge Terrace	500 Loveridge Rd.	B	148	30	1996	Private
Fountain Plaza	1010 Power Ave.	B	224	45	1996	Private
Woodland Hills	219 Power Ave.	B	220	44	1996	Private
Peppertree	300 Peppertree	B	144	29	1996	Private
Kirker Creek	1000 Pheasant Way	B	542	108	1996	Private
			1278	256		
Source: California Debt Advisory Commission, Annual Summary 1991						

All of the at-risk units identified in Groups A and B are non-elderly. There are no elderly units at risk during the analysis period.

Federal programs that fall under the second general category of those allowing termination of use restrictions, are Section 8 Rental Assistance Programs. These programs include New Construction, Substantial Rehabilitation and Moderate Rehabilitation Programs, as well as existing federally-assisted projects onto which Section 8 was added under the Loan Management Set-Aside and Property Disposition Programs.

Under these Section 8 contracts, subsidies are tied directly to the project and cannot be used by tenants if they move elsewhere, unlike the current Section 8 Certificate or Voucher Programs. HUD provides the project owner with the difference between a tenant's rent contribution, generally limited to 30% of household income, and the contract rent established by HUD. Many of the contracts allow owners to opt out after five-year intervals. Should this option ever be exercised, tenants residing in the project would lose their rental assistance and probably be forced to pay the rent with a greater rent burden (i.e., greater than 30% of income towards rent) or seek housing elsewhere.

Community Development Block Grant Funds (CDBG) have been used in the past to fund affordable housing developments. Analysis indicates that no such projects are in jeopardy of conversion during the five year planning period.

State and Local

There are numerous state and local financing programs that have financed the development of housing projects throughout the City of Pittsburgh, which can now be considered "at risk" of conversion to market-rate uses. These programs include the mortgage revenue bonds, Community Development Block Grant and Mortgage Bond Financing program.

Projects financed by proceeds from mortgage revenue bonds were built between 1980 and 1983. Other programs were used to develop projects between 1983 and 1991. As with the federal programs, projects that were assisted with local financing sources carried with their favorable financing or subsidy terms, use restrictions of a certain duration, usually a minimum of 15 years enforced via regulatory agreements.

FEDERAL INCENTIVES

In light of the recognized potential loss of low-income units, Congress initially enacted an emergency measure to address this problem. Pursuant to the Emergency Low-Income Housing Preservation Act (ELIHPA, or Title II of the Housing and Community Development Act of 1987). The Act placed constraints on an owner's right of prepayment and created incentives to either encourage owners to retain the low income restrictions in exchange for receiving a greater return on their investment, or to transfer the property to purchasers who would agree to retain the low-income restrictions. Owners of eligible ELIHPA projects (Section 236 and 221 (d) (3)) have the opportunity to secure additional federal incentives for their projects, enabling them to raise rents and refinance a portion of their equity while extending the low-income use restrictions for 20 years. To be eligible for the incentives provided under ELIHPA, owners must have filed valid Notices of Intent with HUD prior to December 31, 1991 expressing a desire to change the project status.

The principle of ELIHPA was that housing should be preserved for its intended beneficiaries and that owners should be guaranteed a fair and reasonable return on their investment through new incentives. ELIHPA was meant to be an interim measure designed to give Congress some time to develop a permanent program for the preservation of existing low-income housing. The Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA) is the permanent solution to this at-risk predicament.

Pursuant to provisions of the Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA, or Title VI of the National Affordable Housing Act of 1990), owners are offered alternative means of realizing a reasonable return on their investment. These include three basic options: prepaying only when doing so does not adversely affect tenants or the local affordable housing stock; continuing ownership with additional federal incentives and thus, extended low-income use; or selling the property with a first right-of-refusal process for interested nonprofit and public entities.

The following are LIHPRHA-eligible projects:

- Insured or held by HUD under the Section 221 (d) (3) Market Rate Interest program and assisted under a project-based Section 8 program;
- Insured or held by HUD under Section 221 (d) (3) BMIR program; or
- Insured, assisted or held by HUD or a State agency under Section 236.

The Pittsburg at-risk inventory contains no LIHPRHA-eligible projects during this current 1990-2000 analysis period.

HOUSING ELEMENT REQUIREMENTS

Chapter 1451, Statutes of 1989, and Chapter 889, Statutes of 1991 amended Section 65583 of the California Government Code to require local governments to revise their Housing Elements by July 1, 1992 in order to include analysis and programs for the preservation of assisted housing developments.

The purpose of the analysis is to identify actions that the jurisdiction can take to preserve at-risk units, to adequately plan for preventing or minimizing tenant displacement and to preserve the local affordable housing stock.

The analysis is required to cover a ten-year period but for ease of planning, the State Department of Housing and Community Development recommends dividing the period into two five-year groups, coinciding with the planning period of the Housing Element. The analysis should include five essential components:

- 1) Inventory of all multi-family rental units at risk of losing use restrictions, termination of subsidy contract, or mortgage prepayment (including units assisted by federal, state and local sources of financing or subsidy);

2) Cost analysis comparing the replacement cost or producing new rental housing comparable in size and rent levels to the units that could convert, and the cost of preserving the existing units;

3) Identification of all resources available for preservation activities:

- ° a) public and private nonprofit corporations capable of acquiring and managing existing units;
- ° b) federal, state and local financing and subsidy programs available to preserve at-risk units;

4) Establishment of a preservation objective, which is a quantified objective for the number of at-risk units to be preserved during the first five-year planning period;

5) Local programs for preservation activities.

TIMEFRAME OF PRESERVATION AMENDMENT

The Housing Element Amendment, Preservation of Assisted Housing, will encompass all housing projects at risk during a ten-year period from July 1990 to June 2000. The first of the two five-year subsets will cover the period from July 1990 to June 1995 (referred to herein as "Group A"). The second five-year subset will cover the period from July 1995 to June 2000 (referred to herein as "Group B").

ANALYSIS OF AT-RISK PROJECTS

In the winter of 1992, the City of Pittsburg Department of Community Development surveyed owners of various federally-assisted projects eligible for conversion during the Group A analysis period. The purpose of our inquiry was to determine owner interest in prepaying their federal mortgages and/or terminating participation in the Section 8 subsidy program. The projects surveyed included:

- ° Lido Square, a 171-unit housing development, Pittsburg Plaza, a 126-family housing development, and Woods Manor, an 80-unit family housing development, Santa Fe Apartments, a 30 unit family housing development. At the time of the survey none of the owners expressed any interest in conversion of the complexes to market rate units.
- ° Lido Square, Phase 1 reached its conversion date on May 14, 1991, and Phase 2 became eligible for conversion on October 5, 1992, Santa Fe Apartments, a Section 8 project, is listed in the Group A inventory because the project reaches an optional Section 8 contract renewal date on May 31, 1993. The project could still be at risk if federal appropriation are not authorized for the next period during which the project must renew its contract, which would be in 1998; however, for the moment federal appropriations are available for the 1993 renewal date. During the summer of 1993, the owner submitted an application for renewal, thereby removing this development from the list of at-risk units.

- The owners of Woods Manor and Pittsburg Plaza Apartments have indicated their intention to continue participation in the Section 8 Program. The earliest date of subsidy termination is July 22, 1993 when the owner may renew the Section 8 contract for an additional five-year period. Because it is recognized that market conditions will drive much of an owner's decision to sell, the intentions provided in the 1993 survey are helpful but by no means definitive; therefore, the City of Pittsburg has identified several strategies to address this uncertainty.

At this time, no other owners with projects in the City of Pittsburg have filed any notices or plans of action. Based on our efforts to date and the preceding analysis, there does not appear to be any substantial risk of losing low income housing developments due to conversion during the initial Group A analysis period.

Cost Analysis

Appendix A contains a comparative analysis of the costs involved in preserving the units at risk during both the Group A and Group B analysis periods, and the cost to replace the same at-risk units in comparable size and rent levels.

The purpose of this analysis is to compare the cost of options available to a community faced with a potential conversion problem, and to determine the level of local subsidies required to assist in preservation efforts. The cost analysis will enable the City to use a "bottom line" approach as programs are developed and available resources targeted to preserve units at risk of conversion.

The replacement cost analysis attempts to approximate costs of rebuilding units under current building prices and conditions, which are comparable in size to the units at risk of conversion. Comparability also entails any subsidies required to maintain current tenants' rent levels. Based upon the analysis done, the estimated cost of replacing the at-risk units for the Group A analysis period is \$19,709,704 . The estimated cost of replacing the at-risk units for the Group B analysis period is \$34,927,4287. The Group A replacement subsidy is \$18,361,668 while subsidy requirements for the Group B period is \$32,231,355 . This represents a per unit subsidy of \$85,403 for the Group A analysis period, and \$84,597 for the Group B analysis period.

The preservation cost analysis involves the acquisition of at-risk projects in addition to some minimal amount of rehabilitation and the retention of current rent levels for tenants. The estimated cost of preserving the at-risk units for the Group A analysis period is \$10,834,710. The estimated cost of preserving the at-risk units during the Group B period is \$21,669,420. The estimated public subsidy for Group A preservation is \$3,489,157, while Group B preservation requires a \$4,509,008 public subsidy. This represents a per unit subsidy of \$16,229 for Group A units and \$11,835 for Group B units.

The difference between replacement and preservation represents significant expense and subsequently, subsidy requirements to mitigate the loss of affordable units. A difference of \$24,602,308, or \$71,461 per unit, exists between attempting to replace at-risk units versus attempting to preserve the units. Similarly, a difference of \$42,594,859, or \$71,468 per unit

exists between the subsidy levels required to retain or replace the at-risk units at current rent levels.

The preservation of at-risk units is a much more cost-effective method of retaining affordable units based on the cost analysis. The cost of land and construction in the Pittsburg area is high. Re-creating the stock of at-risk units with its deeply targeted subsidies, is cost-prohibitive without the infusion of large public subsidies. Given the limited resources currently available at the local, state and federal levels, the replacement of all at-risk units is impossible. Even with public subsidies combined, a per unit subsidy of \$84,888 as required under the replacement cost analysis, is not likely at any time during this analysis period. On the other hand, a per unit subsidy of \$13,420 as required under the preservation analysis, is much more achievable. Given the number of units at risk during the period between 1990-2000, the costs entailed in preservation activities appear to be manageable given the resources projected to be available to the City during the same time period.

The need for access to all available financial resources in order to prevent the loss of at-risk units is evident. Moreover, the analysis also makes clear the need to work with organizational resources to achieve preservation targets. Reliance on local or even state or federal financing programs alone is not sufficient to assure preservation, given the extensiveness of the conversion problem. There has been such a variety of financing and subsidy programs used to build affordable housing in the past, that existing state and federal financing or incentive preservation programs do not address the possible conversion of many non-federally financed housing projects. Finally, long-term preservation is not guaranteed without enlisting the active support and participation of tenants and local nonprofit agencies willing to acquire and maintain at-risk units as permanently affordable housing.

RESOURCES FOR PRESERVATION

Organizational Capacity

The following entities have expressed an interest in being considered for the acquisition and management of at-risk properties within Contra Costa County, through the Right of First Refusal Program coordinated by the State Department of Housing and Community Development:

Pittsburg Housing and Economic Development Corp, Pittsburg

Housing Authority of Contra Costa County, Martinez

Of these entities, Pittsburg Housing and Economic Development Corporation (PHEDC) and the Housing Authority of Contra Costa County are the most likely entities with whom the City of Pittsburg would work to preserve at-risk housing developments. The jurisdiction of the Housing Authority of Contra Costa County includes Pittsburg as one of the areas served; primarily through the provision of Section 8 certificates and vouchers for eligible households. Similarly, Pittsburg Housing and Economic Development Corporation has established a long and well-respected track record over the last 20 years of developing and managing high quality, affordable housing for the Pittsburg community.

Financing Sources

HUD--Preservation of at-risk housing, pursuant to LIHPRHA

These funds will not be available to the City of Pittsburg since there are no LIHPRHA-eligible projects at risk during the analysis period.

Group A

CDBG

Historically, Pittsburg has received approximately \$400 thousand per year in Community Development Block Grant funds. Barring any substantial fluctuations in HUD appropriations, it is reasonable to expect a similar amount of funding over the next five years, during the Group A analysis period. Total CDBG funding during this period would be approximately \$2 million.

Due to the high priority that housing receives within the City, approximately 67% of CDBG funds are typically allocated to housing programs that fund the rehabilitation of affordable housing, single-family rehabilitation and minor home repairs. It is expected that the funding priorities will remain consistent; hence, the same percentage of funds should be available for housing activities. However, the latter two programs are funded exclusively through CDBG funds and therefore would face termination if priorities were rearranged to include preservation. Due to the limited nature of CDBG resources, it is unlikely that any such resources could be used for preservation activities; therefore, funds from other local resources will be made available for preservation.

Mortgage Revenue Bonds

Between 1980 and 1983, the City issued mortgage revenue bonds for the development of multi-family rental housing. During this period, six projects were funded, creating a total of 1,534 rental units, of which 284 units are low-income.

Part of the City's preservation strategies will be to refinance such projects with mortgage revenue bond proceeds (bond refunding), in exchange for extended (and strengthened) affordability controls. Mortgage revenue bonds can also be a resource for acquiring and preserving at-risk units that were not originally financed with bond proceeds.

As bond refunding is an elective activity to which the owner must agree, it is difficult to project how much financing and bond authority the City would need to preserve these at-risk developments. Furthermore, none of these mortgage revenue bond projects are eligible to convert during the Group A analysis period; therefore, an estimate of funds available through an issuance of mortgage revenue bonds is not necessary at this time for this period of analysis.

State bond financing (upon availability)

The availability of financing at the State level, typically funded through voter-approved general obligation bond issuances, will be considered a source for local preservation activities. Historically, such bond proceeds are administered by the State of California Department of Housing and Community Development and have been used to fund primarily new construction and rehabilitation housing projects.

Housing Authority Reserves

The City of Pittsburg will work with the local housing authority--Housing Authority of Contra Costa County--if a specific at-risk project requires financial assistance. The Housing Authority will consider the use of any available funds for preservation activities if such funds are not needed for normal operating expenses and are used in accordance with Housing Authority policy.

PRESERVATION OBJECTIVE

Given the level of financing to be available during the Group A analysis period, the preservation objective during this period is 200 units, reflecting the same number of units listed in the inventory for the same period.

Programs that have particular significance for projects at risk during the Group A analysis period have been marked with an asterisk. Responsible divisions within the Community Development Department are identified for each program as are the respective funding sources that will support the implementation of each strategy.

Monitoring at-risk projects:

1. Monitor owners on an annual basis to determine owners' interest in selling, prepaying, or terminating participation in a subsidy program.

Responsible: Community Development Department

Timetable: 1992-2000 (annually)

Source: Mortgage Revenue Bonds

2. Identify and maintain an updated inventory of at-risk projects through the use of existing databases (e.g., HUD, State of California Department of Housing and Community Development, California Housing Partnership Corporation), as well as information from other sources (e.g., Deeds of Trust, Regulatory Agreements, MRB project compliance reports, etc.) which provide information on the use restrictions of projects.

Responsible: Community Development Department

Timetable: 1992-2000 (annually or as changes require)

Source: Mortgage Revenue Bonds

3. Create an early warning "tickler" file, the purpose of which would be the close tracking (semi-annual check with owners to determine intentions; if possible, face-to-face meeting with owners to discuss plans) of projects that become eligible for conversion date. By attempting to determine an owner's intentions at the two-year mark, the City can prepare a strategy for the preservation of the project's affordability controls (i.e., the City can work to assist in the nonprofit acquisition of the at-risk project).

Responsible: Community Development Department

Timetable: 1992-2000 (semi-annually for each project until the conversion date of the project; thereafter, on an annual basis)

Source: Mortgage Revenue Bonds

4. Monitor and respond to any Notice of Intent or Plan of Action that may be filed for a project; send copies received to the State of California, Department of Housing and Community Development; notify HUD of the probable impact of changes in project affordability controls and recommend possible mitigation; actively participate in the plan of action process to encourage transfer to a nonprofit organization that will maintain the affordability restrictions for the life of the project.

Responsible: Community Development Department

Timetable: 1992-2000 (continuous as needed)

Source: Mortgage Revenue Bonds

5. After reviewing a submitted Plan of Action, inform affected tenants of any programs that may be available to assist them in preserving their housing units.

Responsible: Community Development Department

Timetable: 1992-2000 (continuous as needed)

Source: Mortgage Revenue Bonds

6. Monitor projects with approval to convert to ensure that any required assistance (or assistance that the owner has agreed to provide) to displaced tenants, is carried out in a timely manner. Projects that may be subject to other state or local requirements regarding the provision of assistance to displaced tenants, will also be monitored.

Responsible: Community Development Department

Timetable: 1992-2000 (continuous upon HUD approval of projects)

Source: Mortgage Revenue Bonds

7. Monitor at-risk projects that have been acquired by non-profit or for-profit entities during the ten-year analysis period, to ensure that properties are well-managed and well-maintained and being operated in accordance with the City's property rehabilitation standards.

Responsible: Community Development Department

Timetable: 1992-2000 (annually)

13. Identify and assess the interest of potential nonprofit purchasers who would be willing and able to acquire and permanently maintain the affordability restrictions of at-risk projects, if such projects are offered for sale.

Responsible: Community Development Department
Timetable: 1992-2000 (continuous as opportunities arise)
Source: Mortgage Revenue Bonds

14. Assist owners of existing Mortgage Revenue Bond (MRB) projects to refund their bonds in exchange for extended affordability controls.

Responsible: Community Development Department
Timetable: 1992-2000 (continuous as opportunities arise)
Source: Mortgage Revenue Bonds

15. Finance the acquisition of local projects with the issuance of mortgage revenue bonds, where financially feasible.

Responsible: Community Development Department
Timetable: 1990-2000 (continuous as opportunities arise)
Source: Mortgage Revenue Bonds

16. The City will work with the Housing Authority of Contra Costa County to obtain available Section 8 certificates or vouchers for displaced tenants of non-federal at-risk projects.

Responsible: Community Development Department
Timetable: 1992-2000 (continuous as needed)
Source: Mortgage Revenue Bonds
Section 8 Certificate/Voucher Program

These programs represent a varied strategy by the City of Pittsburg to mitigate any potential loss of at-risk units due to conversion. These local efforts utilize existing City resources (e.g., provision of technical assistance, direct financial assistance, etc.) as well as other local resources (e.g., use of local nonprofit housing developers to acquire and maintain at-risk projects for permanent affordability). The programs also include efforts to secure other resources from the public and private sector, should they become available.

At Risk Units Analysis Worksheets

Pittsburg Housing Element
 Estimated Cost to Replace At-Risk Units

Replacement Cost Estimated Cash Flow
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	Unit Total	Total Monthly Rent	Total Annual Rent
Group A	215	\$64,500	
Subtotal		<u>\$64,500</u>	<u>\$774,000</u>
Group B	381	\$114,300	
Subtotal		<u>\$114,300</u>	<u>\$1,371,600</u>
TOTAL	596	\$178,800	\$2,145,600

Assumes average tenant rent payment of \$300 per month for a 1-bedroom unit.
 HUD Rent payments under section 8 contracts are not included.

Pittsburg Housing Element
Estimated Cost to Replace At-Risk Units

REPLACEMENT COSTS

Calculation of supportable mortgage.

	Group A	Group B
Total Rental Income	\$774,000	\$1,371,600
(Vacancy Loss @ 5%)	\$38,700	\$68,580
Net rental Income	\$735,300	\$1,303,020
(Operating Expenses)	\$577,725	\$1,023,783
Net Operating Income	\$157,575	\$279,237
Available for Debt Service (assume ratio of 1.10:1)	\$141,959	\$251,565
Mortgage (30 years @ 8.5%)	\$1,348,036	\$2,696,073

Calculation of Public Subsidy

Total replacement Costs	\$19,709,704	\$34,927,428
Supportable Mortgage	\$1,348,036	\$2,696,073
Public Subsidy required	\$18,361,668	\$32,231,355
Per Unit	\$85,403	\$84,597

Pittsburg Housing Element
 Estimated Cost to Replace At-Risk Units

Preservation Costs

Estimated Acquisition/Preservation Costs

Acquisition	Per Unit
Average market rate NOI/unit	\$3,612
Total Value	\$43,344
Rehabilitation and Soft Costs	
Per Unit Rehabilitation	\$4,500
Per Unit soft Costs	\$2,550
Total	\$7,050
Total Costs	\$50,394

Aggregate Preservation Costs	Group A	Group B
Total Units	215	381
Total Aggregate Costs	\$10,834,710	\$19,200,114

Pittsburg Housing Element
Estimated Cost to Replace At-Risk Units
Estimated Acquisition/Preservation Costs
Public Subsidy Requirements

	Group A	Group B
Total Rental Income	\$1,679,580	\$3,359,160
(Vacancy @ 5%)	\$83,979	\$167,958
Net Rental Income	\$1,595,601	\$3,191,202
(Operating Expenses)	\$645,000	\$1,290,000
Net Operating Income	\$950,601	\$1,901,202
Available for Debt Service	\$864,183	\$1,728,365
Mortgage (30 years @ 8.5%)	\$7,345,553	\$14,691,106
Estimated Shortfall	\$3,489,157	\$4,509,008

(1) Assumes monthly rent of approximately \$651 per unit (typical Section 8 rent for a 1 bedroom unit)

Local Subsidy Required		
Total Preservation Subsidy	\$3,489,157	\$4,509,008
Per Unit	\$16,229	\$11,835

Pittsburg Housing Element
Estimated Cost to Replace At-Risk Units

Summary Analysis

	Total	Per Unit
Replacement Cost	\$54,637,132	\$91,673
Local Subsidy Required	\$50,593,023	\$84,888
Preservation Cost	\$30,034,824	\$50,394
Local Subsidy Required	\$7,998,164	\$13,420

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